

SECOND REGULAR SESSION

HOUSE BILL NO. 2691

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MESSENGER.

6630H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.087, 32.200, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 143.011, 143.021, 143.071, 143.171, 143.261, 143.451, 143.461, 143.471, 144.010, 144.014, 144.020, 144.030, 144.032, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.100, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.710, 144.759, 144.761, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 184.845, 221.407, 238.235, 238.410, 620.1350, and 644.032, RSMo, and to enact in lieu thereof ninety-three new sections relating to taxation, with penalty provisions and an effective date.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 32.087, 32.200, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 2 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 3 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 4 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 143.011, 5 143.021, 143.071, 143.171, 143.261, 143.451, 143.461, 143.471, 144.010, 144.014, 144.020, 6 144.030, 144.032, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.100, 7 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.710, 8 144.759, 144.761, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 184.845, 9 221.407, 238.235, 238.410, 620.1350, and 644.032, RSMo, are repealed and ninety-three new 10 sections enacted in lieu thereof, to be known as sections 32.070, 32.086, 32.087, 32.200, 66.620,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

11 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729,
12 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712,
13 67.1775, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705,
14 143.011, 143.021, 143.071, 143.171, 143.177, 143.261, 143.451, 143.455, 143.461, 143.471,
15 144.010, 144.014, 144.020, 144.022, 144.030, 144.032, 144.049, 144.054, 144.060, 144.079,
16 144.080, 144.082, 144.083, 144.084, 144.100, 144.105, 144.109, 144.110, 144.111, 144.112,
17 144.113, 144.114, 144.123, 144.124, 144.125, 144.140, 144.190, 144.210, 144.212, 144.285,
18 144.526, 144.600, 144.612, 144.655, 144.710, 144.759, 144.761, 184.845, 221.407, 238.235,
19 238.410, 620.1350, 620.3200, 620.3210, and 644.032, to read as follows:

**32.070. 1. The director of the department of revenue shall enter into the
2 streamlined sales and use tax agreement with one or more states to simplify and modernize
3 sales and use tax administration in order to substantially reduce the burden of tax
4 compliance for all sellers and for all types of commerce. In furtherance of the streamlined
5 sales and use tax agreement, the director of the department of revenue may act jointly with
6 other states that are members of the streamlined sales and use tax agreement to establish
7 standards for certification of a certified service provider and certified automated system
8 and establish performance standards for multistate sellers.**

**9 2. The director of the department of revenue may take other action reasonably
10 required to implement the provisions set forth in the streamlined sales and use tax
11 agreement, including, but not limited to, the promulgation of rules and the joint
12 procurement, with other member states, of goods and services in furtherance of the
13 streamlined sales and use tax agreement.**

**14 3. For the purposes of representing the state as a member of the agreement and, if
15 necessary, amending the agreement, the state shall be represented by four delegates, one
16 of whom shall be appointed by the governor, one shall be a member of the general
17 assembly appointed by the president pro tempore of the senate, one shall be a member of
18 the general assembly appointed by the speaker of the house of representatives, with the
19 director of the department of revenue or the director's designee as the fourth delegate. The
20 delegates shall recommend to the committees responsible for reviewing tax issues in the
21 senate and the house of representatives each year any amendment of state statutes required
22 to be substantially in compliance with the agreement. Such delegates shall make a written
23 report by the fifteenth day of January each year regarding the status of the agreement.**

**24 4. The department of revenue shall promulgate rules necessary to implement the
25 provisions of the streamlined sales and use tax agreement. Any rule or portion of a rule,
26 as that term is defined in section 536.010 that is created under the authority delegated in
27 this section shall become effective only if it complies with and is subject to all of the**

28 provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536
29 are nonseverable and if any of the powers vested with the general assembly pursuant to
30 chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are
31 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
32 proposed or adopted after August 28, 2018, shall be invalid and void.

32.086. Notwithstanding any other provision of law, for all local sales and use taxes
2 collected by the department and remitted to a political jurisdiction or taxing district, the
3 department shall remit one percent of the amount collected to the general revenue fund to
4 offset the cost of collection, unless a greater amount is specified in the local sales and use
5 tax law. The department shall not commingle the remaining amounts collected with
6 general revenues and shall remit the remaining amounts collected to the political
7 jurisdiction or taxing district less any credits for erroneous payments, overpayments, and
8 dishonored checks.

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of
2 adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing
3 entity, the governing body or official of such taxing entity shall forward to the director of revenue
4 by United States registered mail or certified mail a certified copy of the ordinance or order. [~~The~~
5 ~~ordinance or order shall reflect the effective date thereof.~~]

6 2. Any local sales tax so adopted shall become effective [~~on the first day of the second~~
7 ~~calendar quarter after the director of revenue receives notice of adoption of the local sales tax,~~
8 ~~except~~] as provided in subsection [~~18~~] 19 of this section, and shall be imposed on all transactions
9 on which the Missouri state sales tax is imposed.

10 3. Every retailer within the jurisdiction of one or more taxing entities which has imposed
11 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along
12 with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when
13 added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser
14 to the retailer until paid, and shall be recoverable at law in the same manner as the purchase
15 price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the
16 rates, multiplying the combined rate times the amount of the sale.

17 4. [~~The brackets required to be established by the director of revenue under the~~
18 ~~provisions of section 144.285 shall be based upon the sum of the combined rate of the state sales~~
19 ~~tax and all local sales taxes imposed under the provisions of the local sales tax law.~~]

20 ———5:] (1) The ordinance or order imposing a local sales tax under the local sales tax law
21 shall impose a tax upon all transactions upon which the Missouri state sales tax is imposed to
22 the extent and in the manner provided in [~~sections 144.010 to 144.525~~] **chapter 144**, and the
23 rules and regulations of the director of revenue issued pursuant thereto[; ~~except that the rate of~~

24 ~~the tax shall be the sum of the combined rate of the state sales tax or state highway use tax and~~
25 ~~all local sales taxes imposed under the provisions of the local sales tax law].~~

26 (2) Notwithstanding any other provision of law to the contrary, local taxing jurisdictions,
27 except those in which voters have approved a local use tax under section 144.757, shall have
28 placed on the ballot on or after the general election in November 2014, but no later than the
29 general election in November 2018, whether to repeal application of the local sales tax to the
30 titling of motor vehicles, trailers, boats, and outboard motors that are subject to state sales tax
31 under section 144.020 and purchased from a source other than a licensed Missouri dealer. The
32 ballot question presented to the local voters shall contain substantially the following language:

33 Shall the _____ (local jurisdiction's name) discontinue applying and collecting the
34 local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors that were
35 purchased from a source other than a licensed Missouri dealer?

36 Approval of this measure will result in a reduction of local revenue to provide for vital
37 services for _____ (local jurisdiction's name) and it will place Missouri dealers of motor
38 vehicles, outboard motors, boats, and trailers at a competitive disadvantage to non-Missouri
39 dealers of motor vehicles, outboard motors, boats, and trailers.

40 YES NO

41

42 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
43 to the question, place an "X" in the box opposite "NO".

44 (3) If the ballot question set forth in subdivision (2) of this subsection receives a majority
45 of the votes cast in favor of the proposal, or if the local taxing jurisdiction fails to place the ballot
46 question before the voters on or before the general election in November 2018, the local taxing
47 jurisdiction shall cease applying the local sales tax to the titling of motor vehicles, trailers, boats,
48 and outboard motors that were purchased from a source other than a licensed Missouri dealer.

49 (4) In addition to the requirement that the ballot question set forth in subdivision (2) of
50 this subsection be placed before the voters, the governing body of any local taxing jurisdiction
51 that had previously imposed a local use tax on the use of motor vehicles, trailers, boats, and
52 outboard motors may, at any time, place a proposal on the ballot at any election to repeal
53 application of the local sales tax to the titling of motor vehicles, trailers, boats, and outboard
54 motors purchased from a source other than a licensed Missouri dealer. If a majority of the votes
55 cast by the registered voters voting thereon are in favor of the proposal to repeal application of
56 the local sales tax to such titling, then the local sales tax shall no longer be applied to the titling
57 of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a
58 licensed Missouri dealer. If a majority of the votes cast by the registered voters voting thereon

59 are opposed to the proposal to repeal application of the local sales tax to such titling, such
60 application shall remain in effect.

61 (5) In addition to the requirement that the ballot question set forth in subdivision (2) of
62 this subsection be placed before the voters on or after the general election in November 2014,
63 and on or before the general election in November 2018, whenever the governing body of any
64 local taxing jurisdiction imposing a local sales tax on the sale of motor vehicles, trailers, boats,
65 and outboard motors receives a petition, signed by fifteen percent of the registered voters of such
66 jurisdiction voting in the last gubernatorial election, and calling for a proposal to be placed on
67 the ballot at any election to repeal application of the local sales tax to the titling of motor
68 vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed
69 Missouri dealer, the governing body shall submit to the voters of such jurisdiction a proposal to
70 repeal application of the local sales tax to such titling. If a majority of the votes cast by the
71 registered voters voting thereon are in favor of the proposal to repeal application of the local
72 sales tax to such titling, then the local sales tax shall no longer be applied to the titling of motor
73 vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed
74 Missouri dealer. If a majority of the votes cast by the registered voters voting thereon are
75 opposed to the proposal to repeal application of the local sales tax to such titling, such
76 application shall remain in effect.

77 (6) Nothing in this subsection shall be construed to authorize the voters of any
78 jurisdiction to repeal application of any state sales or use tax.

79 (7) If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard
80 motors purchased from a source other than a licensed Missouri dealer is repealed, such repeal
81 shall take effect ~~[on the first day of the second calendar quarter after the election]~~ **as provided**
82 **in subsection 19 of this section.** If any local sales tax on the titling of motor vehicles, trailers,
83 boats, and outboard motors purchased from a source other than a licensed Missouri dealer is
84 required to cease to be applied or collected due to failure of a local taxing jurisdiction to hold an
85 election pursuant to subdivision (2) of this subsection, such cessation shall take effect on March
86 1, 2019.

87 (8) Notwithstanding any provision of law to the contrary, if any local sales tax on the
88 titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than
89 a licensed Missouri dealer is repealed after the general election in November 2014, or if the
90 taxing jurisdiction failed to present the ballot to the voters at a general election on or before
91 November 2018, then the governing body of such taxing jurisdiction may, at any election
92 subsequent to the repeal or after the general election in November 2018, if the jurisdiction failed
93 to present the ballot to the voters, place before the voters the issue of imposing a sales tax on the
94 titling of motor vehicles, trailers, boats, and outboard motors that are subject to state sales tax

95 under section 144.020 that were purchased from a source other than a licensed Missouri dealer.
96 The ballot question presented to the local voters shall contain substantially the following
97 language:

98 Shall the _____ (local jurisdiction's name) apply and collect the local sales tax on the
99 titling of motor vehicles, trailers, boats, and outboard motors that are subject to state sales tax
100 under section 144.020 and purchased from a source other than a licensed Missouri dealer?

101

102 Approval of this measure will result in an increase of local revenue to provide for vital services
103 for _____ (local jurisdiction's name), and it will remove a competitive advantage that
104 non-Missouri dealers of motor vehicles, outboard motors, boats, and trailers have over Missouri
105 dealers of motor vehicles, outboard motors, boats, and trailers.

106 YES NO

107 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
108 opposed to the question, place an "X" in the box opposite "NO".

109 (9) If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard
110 motors purchased from a source other than a licensed Missouri dealer is adopted, such tax shall
111 take effect and be imposed ~~[on the first day of the second calendar quarter after the election]~~ **as**
112 **provided in subsection 19 of this section.**

113 ~~[6-]~~ **5.** On and after the effective date of any local sales tax imposed under the provisions
114 of the local sales tax law, the director of revenue shall perform all functions incident to the
115 administration, collection, enforcement, and operation of the tax, and the director of revenue
116 shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes
117 authorized under the authority of the local sales tax law. All local sales taxes imposed under the
118 local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri
119 shall be collected together and reported upon such forms and under such administrative rules and
120 regulations as may be prescribed by the director of revenue.

121 ~~[7-]~~ **6.** All applicable provisions contained in sections 144.010 to 144.525 governing the
122 state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the
123 collection of any local sales tax imposed under the local sales tax law except as modified by the
124 local sales tax law.

125 ~~[8-]~~ **7.** All exemptions granted to agencies of government, organizations, persons and to
126 the sale of certain articles and items of tangible personal property and taxable services under the
127 provisions of sections 144.010 to 144.525, as these sections now read and as they may hereafter
128 be amended, it being the intent of this general assembly to ensure that the same sales tax
129 exemptions granted from the state sales tax law also be granted under the local sales tax law, are

130 hereby made applicable to the imposition and collection of all local sales taxes imposed under
131 the local sales tax law.

132 ~~[9-]~~ **8.** The same sales tax permit, exemption certificate and retail certificate required by
133 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
134 satisfy the requirements of the local sales tax law, and no additional permit or exemption
135 certificate or retail certificate shall be required; except that the director of revenue may prescribe
136 a form of exemption certificate for an exemption from any local sales tax imposed by the local
137 sales tax law.

138 ~~[10-]~~ **9.** All discounts allowed the retailer under the provisions of the state sales tax law
139 for the collection of and for payment of taxes under the provisions of the state sales tax law are
140 hereby allowed and made applicable to any local sales tax collected under the provisions of the
141 local sales tax law.

142 ~~[11-]~~ **10.** The penalties provided in section 32.057 and sections 144.010 to 144.525 for
143 a violation of the provisions of those sections are hereby made applicable to violations of the
144 provisions of the local sales tax law.

145 ~~[12-(1)]~~ **11.** For the purposes of any local sales tax imposed by an ordinance or order
146 under the local sales tax law, all sales~~], except the sale of motor vehicles, trailers, boats, and~~
147 ~~outboard motors required to be titled under the laws of the state of Missouri, shall be deemed to~~
148 ~~be consummated at the place of business of the retailer unless the tangible personal property sold~~
149 ~~is delivered by the retailer or his agent to an out-of-state destination. In the event a retailer has~~
150 ~~more than one place of business in this state which participates in the sale, the sale shall be~~
151 ~~deemed to be consummated at the place of business of the retailer where the initial order for the~~
152 ~~tangible personal property is taken, even though the order must be forwarded elsewhere for~~
153 ~~acceptance, approval of credit, shipment or billing. A sale by a retailer's agent or employee shall~~
154 ~~be deemed to be consummated at the place of business from which he works.~~

155 ~~———(2) For the purposes of any local sales tax imposed by an ordinance or order under the~~
156 ~~local sales tax law, the sales tax upon the titling of all motor vehicles, trailers, boats, and~~
157 ~~outboard motors shall be imposed at the rate in effect at the location of the residence of the~~
158 ~~purchaser, and remitted to that local taxing entity, and not at the place of business of the retailer,~~
159 ~~or the place of business from which the retailer's agent or employee works.~~

160 ~~———(3) For the purposes of any local tax imposed by an ordinance or under the local sales~~
161 ~~tax law on charges for mobile telecommunications services, all taxes of mobile~~
162 ~~telecommunications service shall be imposed as provided in the Mobile Telecommunications~~
163 ~~Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended] shall be sourced as provided~~
164 **by sections 144.111 to 144.114.**

165 ~~[13-]~~ **12.** Local sales taxes shall not be imposed on the seller of motor vehicles, trailers,
166 boats, and outboard motors required to be titled under the laws of the state of Missouri, but shall
167 be collected from the purchaser by the director of revenue at the time application is made for a
168 certificate of title, if the address of the applicant is within a taxing entity imposing a local sales
169 tax under the local sales tax law.

170 ~~[14-]~~ **13.** The director of revenue and any of his deputies, assistants and employees who
171 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,
172 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the
173 director of revenue under the provisions of the local sales tax law shall enter a surety bond or
174 bonds payable to any and all taxing entities in whose behalf such funds have been collected
175 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;
176 but the director of revenue may enter into a blanket bond covering himself and all such deputies,
177 assistants and employees. The cost of any premium for such bonds shall be paid by the director
178 of revenue from the share of the collections under the sales tax law retained by the director of
179 revenue for the benefit of the state.

180 ~~[15-]~~ **14.** The director of revenue shall annually report on his management of each trust
181 fund which is created under the local sales tax law and administration of each local sales tax
182 imposed under the local sales tax law. He shall provide each taxing entity imposing one or more
183 local sales taxes authorized by the local sales tax law with a detailed accounting of the source
184 of all funds received by him for the taxing entity. Notwithstanding any other provisions of law,
185 the state auditor shall annually audit each trust fund. A copy of the director's report and annual
186 audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

187 ~~[16-]~~ **15.** Within the boundaries of any taxing entity where one or more local sales taxes
188 have been imposed, if any person is delinquent in the payment of the amount required to be paid
189 by him under the local sales tax law or in the event a determination has been made against him
190 for taxes and penalty under the local sales tax law, the limitation for bringing suit for the
191 collection of the delinquent tax and penalty shall be the same as that provided in sections
192 144.010 to 144.525. Where the director of revenue has determined that suit must be filed against
193 any person for the collection of delinquent taxes due the state under the state sales tax law, and
194 where such person is also delinquent in payment of taxes under the local sales tax law, the
195 director of revenue shall notify the taxing entity in the event any person fails or refuses to pay
196 the amount of any local sales tax due so that appropriate action may be taken by the taxing entity.

197 ~~[17-]~~ **16.** Where property is seized by the director of revenue under the provisions of any
198 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax
199 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any
200 tax imposed by the local sales tax law, the director of revenue shall permit the taxing entity to

201 join in any sale of property to pay the delinquent taxes and penalties due the state and to the
202 taxing entity under the local sales tax law. The proceeds from such sale shall first be applied to
203 all sums due the state, and the remainder, if any, shall be applied to all sums due such taxing
204 entity.

205 ~~[+8:] 17. If a local sales tax has been in effect for at least one year under the provisions~~
206 ~~of the local sales tax law and voters approve reimposition of the same local sales tax at the same~~
207 ~~rate at an election as provided for in the local sales tax law prior to the date such tax is due to~~
208 ~~expire, the tax [se] reimposed shall become effective [the first day of the first calendar quarter~~
209 ~~after the director receives a certified copy of the ordinance, order or resolution accompanied by~~
210 ~~a map clearly showing the boundaries thereof and the results of such election, provided that such~~
211 ~~ordinance, order or resolution and all necessary accompanying materials are received by the~~
212 ~~director at least thirty days prior to the expiration of such tax. Any administrative cost or~~
213 ~~expense incurred by the state as a result of the provisions of this subsection shall be paid by the~~
214 ~~city or county reimposing such tax] as provided by subsection 19 of this section.~~

215 **18. If the boundaries of a city in which a sales tax has been imposed shall thereafter**
216 **be changed or altered, the city clerk shall forward to the director of revenue by United**
217 **States registered mail or certified mail a certified copy of the ordinance adding or**
218 **detaching territory from the city within ten days of adoption of the ordinance. The**
219 **ordinance shall reflect the effective date of the ordinance and shall be accompanied by a**
220 **map of the city clearly showing the territory added or detached from the city boundaries.**
221 **Upon receipt of the ordinance and map, the tax imposed under the local sales tax law shall**
222 **be effective in the added territory or abolished in the detached territory on the first day of**
223 **a calendar quarter after one hundred twenty days' notice to sellers.**

224 **19. (1) The effective date for the imposition, repeal, or rate change of each local**
225 **sales and use tax is the first day of the calendar quarter after a minimum of one hundred**
226 **twenty days' notice to sellers. In all cases where notice is required to be made to the**
227 **director of revenue by a local taxing jurisdiction, such notice shall be made at least one**
228 **hundred twenty days prior to the effective date for the imposition, repeal, or rate change**
229 **of a local sales and use tax.**

230 **(2) The effective date for any local jurisdiction boundary change for sales and use**
231 **tax purposes is the first day of the calendar quarter after a minimum of one hundred**
232 **twenty days' notice to sellers.**

32.200. The "Multistate Tax Compact" is hereby enacted into law and entered into with
2 all jurisdictions legally joining therein, in the form substantially as follows:

3

MULTISTATE TAX COMPACT

4

Article I

5 The purposes of this compact are to:

- 6 1. Facilitate proper determination of state and local tax liability of multistate taxpayers,
7 including the equitable apportionment of tax bases and settlement of apportionment disputes.
- 8 2. Promote uniformity or compatibility in significant components of tax systems.
- 9 3. Facilitate taxpayer convenience and compliance in the filing of tax returns and in other
10 phases of tax administration.
- 11 4. Avoid duplicative taxation.

12 Article II

13 As used in this compact:

- 14 1. "State" means a state of the United States, the District of Columbia, the
15 Commonwealth of Puerto Rico, or any territory or possession of the United States.
- 16 2. "Subdivision" means any governmental unit or special district of a state.
- 17 3. "Taxpayer" means any corporation, partnership, firm, association, governmental unit
18 or agency or person acting as a business entity in more than one state.
- 19 4. "Income tax" means a tax imposed on or measured by net income including any tax
20 imposed on or measured by an amount arrived at by deducting expenses from gross income, one
21 or more forms of which expenses are not specifically and directly related to particular
22 transactions.
- 23 5. "Capital stock tax" means a tax measured in any way by the capital of a corporation
24 considered in its entirety.
- 25 6. "Gross receipts tax" means a tax, other than a sales tax, which is imposed on or
26 measured by the gross volume of business, in terms of gross receipts or in other terms, and in the
27 determination of which no deduction is allowed which would constitute the tax an income tax.
- 28 7. "Sales tax" means a tax imposed with respect to the transfer for a consideration of
29 ownership, possession or custody of tangible personal property or the rendering of services
30 measured by the price of the tangible personal property transferred or services rendered and
31 which is required by state or local law to be separately stated from the sales price by the seller,
32 or which is customarily separately stated from the sales price, but does not include a tax imposed
33 exclusively on the sale of a specifically identified commodity or article or class of commodities
34 or articles.
- 35 8. "Use tax" means a nonrecurring tax, other than a sales tax, which
36 (a) is imposed on or with respect to the exercise or enjoyment of any right or power over
37 tangible personal property incident to the ownership, possession or custody of that property or
38 the leasing of that property from another including any consumption, keeping, retention, or other
39 use of tangible personal property; and
40 (b) is complementary to a sales tax.

77 1. As used in this article, unless the context otherwise requires:

78 (1) "Business income" means income arising from transactions and activity in the regular
79 course of the taxpayer's trade or business and includes income from tangible and intangible
80 property if the acquisition, management, and disposition of the property constitute integral parts
81 of the taxpayer's regular trade or business operations.

82 (2) "Commercial domicile" means the principal place from which the trade or business
83 of the taxpayer is directed or managed.

84 (3) "Compensation" means wages, salaries, commissions and any other form of
85 remuneration paid to employees for personal services.

86 (4) "Financial organization" means any bank, trust company, savings bank, industrial
87 bank, land bank, safe deposit company, private banker, savings and loan association, credit
88 union, cooperative bank, small loan company, sales finance company, investment company, or
89 any type of insurance company.

90 (5) "Nonbusiness income" means all income other than business income.

91 (6) "Public utility" means any business entity

92 (a) which owns or operates any plant, equipment, property, franchise, or license for the
93 transmission of communications, transportation of goods or persons, except by pipeline, or the
94 production, transmission, sale, delivery, or furnishing of electricity, water or steam; and

95 (b) whose rates of charges for goods or services have been established or approved by
96 a federal, state or local government or governmental agency.

97 (7) "Sales" means all gross receipts of the taxpayer not allocated under paragraphs of this
98 article.

99 (8) "State" means any state of the United States, the District of Columbia, the
100 Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign
101 country or political subdivision thereof.

102 (9) "This state" means the state in which the relevant tax return is filed or, in the case of
103 application of this article, to the apportionment and allocation of income for local tax purposes,
104 the subdivision or local taxing district in which the relevant tax return is filed.

105 2. Any taxpayer having income from business activity which is taxable both within and
106 without this state, other than activity as a financial organization or public utility or the rendering
107 of purely personal services by an individual, shall allocate and apportion his net income as
108 provided in this article. If a taxpayer has income from business activity as a public utility but
109 derives the greater percentage of his income from activities subject to this article, the taxpayer
110 may elect to allocate and apportion his entire net income as provided in this article.

111 3. For purposes of allocation and apportionment of income under this article, a taxpayer
112 is taxable in another state if

113 (1) in that state he is subject to a net income tax, a franchise tax measured by net income,
114 a franchise tax for the privilege of doing business, or a corporate stock tax; or

115 (2) that state has jurisdiction to subject the taxpayer to a net income tax regardless of
116 whether, in fact, the state does or does not.

117 4. Rents and royalties from real or tangible personal property, capital gains, interest,
118 dividends or patent or copyright royalties, to the extent that they constitute nonbusiness income,
119 shall be allocated as provided in paragraphs 5 through 8 of this article.

120 5. (1) Net rents and royalties from real property located in this state are allocable to this
121 state.

122 (2) Net rents and royalties from tangible personal property are allocable to this state:

123 (a) if and to the extent that the property is utilized in this state; or

124 (b) in their entirety if the taxpayer's commercial domicile is in this state and the taxpayer
125 is not organized under the laws of or taxable in the state in which the property is utilized.

126 (3) The extent of utilization of tangible personal property in a state is determined by
127 multiplying the rents and royalties by a fraction, the numerator of which is the number of days
128 of physical location of the property in the state during the rental or royalty period in the taxable
129 year and the denominator of which is the number of days of physical location of the property
130 everywhere during all rental or royalty periods in the taxable year. If the physical location of the
131 property during the rental or royalty period is unknown or unascertainable by the taxpayer,
132 tangible personal property is utilized in the state in which the property was located at the time
133 the rental or royalty payer obtained possession.

134 6. (1) Capital gains and losses from sales of real property located in this state are
135 allocable to this state.

136 (2) Capital gains and losses from sales of tangible personal property are allocable to this
137 state if

138 (a) the property had a situs in this state at the time of the sale; or

139 (b) the taxpayer's commercial domicile is in this state and the taxpayer is not taxable in
140 the state in which the property had a situs.

141 (3) Capital gains and losses from sales of intangible personal property are allocable to
142 this state if the taxpayer's commercial domicile is in this state.

143 7. Interest and dividends are allocable to this state if the taxpayer's commercial domicile
144 is in this state.

145 8. (1) Patent and copyright royalties are allocable to this state:

146 (a) if and to the extent that the patent or copyright is utilized by the payer in this state;

147 or

148 (b) if and to the extent that the patent copyright is utilized by the payer in a state in which
149 the taxpayer is not taxable and the taxpayer's commercial domicile is in this state.

150 (2) A patent is utilized in a state to the extent that it is employed in production,
151 fabrication, manufacturing, or other processing in the state or to the extent that a patented
152 product is produced in the state. If the basis of receipts from patent royalties does not permit
153 allocation to states or if the accounting procedures do not reflect states of utilization, the patent
154 is utilized in the state in which the taxpayer's commercial domicile is located.

155 (3) A copyright is utilized in a state to the extent that printing or other publication
156 originates in the state. If the basis of receipts from copyright royalties does not permit allocation
157 to states or if the accounting procedures do not reflect states of utilization, the copyright is
158 utilized in the state in which the taxpayer's commercial domicile is located.

159 9. All business income shall be apportioned to this state by multiplying the income by
160 a fraction, the numerator of which is the property factor plus the payroll factor plus the sales
161 factor, and the denominator of which is three.

162 10. The property factor is a fraction, the numerator of which is the average value of the
163 taxpayer's real and tangible personal property owned or rented and used in this state during the
164 tax period and the denominator of which is the average value of all the taxpayer's real and
165 tangible personal property owned or rented and used during the tax period.

166 11. Property owned by the taxpayer is valued at its original cost. Property rented by the
167 taxpayer is valued at eight times the net annual rental rate. Net annual rental rate is the annual
168 rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from
169 subrentals.

170 12. The average value of property shall be determined by averaging the values at the
171 beginning and ending of the tax period but the tax administrator may require the averaging of
172 monthly values during the tax period if reasonably required to reflect properly the average value
173 of the taxpayer's property.

174 13. The payroll factor is a fraction, the numerator of which is the total amount paid in
175 this state during the tax period by the taxpayer for compensation and the denominator of which
176 is the total compensation paid everywhere during the tax period.

177 14. Compensation is paid in this state if:

178 (1) the individual's service is performed entirely within the state;

179 (2) the individual's service is performed both within and without the state, but the service
180 performed without the state is incidental to the individual's service within the state; or

181 (3) some of the service is performed in the state; and

182 (a) the base of operations or, if there is no base of operations, the place from which the
183 service is directed or controlled is in the state; or

184 (b) the base of operations or the place from which the service is directed or controlled
185 is not in any state in which some part of the service is performed, but the individual's residence
186 is in this state.

187 15. The sales factor is a fraction, the numerator of which is the total sales of the taxpayer
188 in this state during the tax period, and the denominator of which is the total sales of the taxpayer
189 everywhere during the tax period.

190 16. Sales of tangible personal property are in this state if:

191 (1) the property is delivered or shipped to a purchaser, other than the United States
192 government, within this state regardless of the f.o.b. point or other conditions of the sale; or

193 (2) the property is shipped from an office, store, warehouse, factory, or other place of
194 storage in this state; and

195 (a) the purchaser is the United States government; or

196 (b) the taxpayer is not taxable in the state of the purchaser.

197 17. Sales, other than sales of tangible personal property, are in this state if:

198 (1) the income-producing activity is performed in this state; or

199 (2) the income-producing activity is performed both in and outside this state and a
200 greater proportion of the income-producing activity is performed in this state than in any other
201 state, based on costs of performance.

202 18. If the allocation and apportionment provisions of this article do not fairly represent
203 the extent of the taxpayer's business activity in this state, the taxpayer may petition for or the tax
204 administrator may require, in respect to all or any part of the taxpayer's business activity, if
205 reasonable:

206 (1) separate accounting;

207 (2) the exclusion of any one or more of the factors;

208 (3) the inclusion of one or more additional factors which will fairly represent the
209 taxpayer's business activity in this state; or

210 (4) the employment of any other method to effectuate an equitable allocation and
211 apportionment of the taxpayer's income.

212 Article V

213 1. Each purchaser liable for a use tax on tangible personal property shall be entitled to
214 full credit for the combined amount or amounts of legally imposed sales or use taxes paid by him
215 with respect to the same property to another state and any subdivision thereof. The credit shall
216 be applied first against the amount of any use tax due the state, and any unused portion of the
217 credit shall then be applied against the amount of any use tax due a subdivision.

218 2. Whenever a vendor receives and accepts in good faith from a purchaser a resale or
219 other exemption certificate or other written evidence of exemption authorized by the appropriate

220 state or subdivision taxing authority, the vendor shall be relieved of liability for a sales or use
221 tax with respect to the transaction.

222

Article VI

223 1. (a) The multistate tax commission is hereby established. It shall be composed of one
224 "member" from each party state who shall be the head of the state agency charged with the
225 administration of the types of taxes to which this compact applies. If there is more than one such
226 agency the state shall provide by law for the selection of the commission member from the heads
227 of the relevant agencies. State law may provide that a member of the commission be represented
228 by an alternate but only if there is on file with the commission written notification of the
229 designation and identity of the alternate. The attorney general of each party state or his designee,
230 or other counsel if the laws of the party state specifically provide, shall be entitled to attend the
231 meetings of the commission, but shall not vote. Such attorneys general, designees, or other
232 counsel shall receive all notices of meetings required under paragraph 1 (e) of this article.

233 (b) Each party state shall provide by law for the selection of representatives from its
234 subdivisions affected by this compact to consult with the commission member from that state.

235 (c) Each member shall be entitled to one vote. The commission shall not act unless a
236 majority of the members are present, and no action shall be binding unless approved by a
237 majority of the total number of members.

238 (d) The commission shall adopt an official seal to be used as it may provide.

239 (e) The commission shall hold an annual meeting and such other regular meetings as its
240 bylaws may provide and such special meetings as its executive committee may determine. The
241 commission bylaws shall specify the dates of the annual and any other regular meetings, and
242 shall provide for the giving of notice of annual, regular and special meetings. Notices of special
243 meetings shall include the reasons therefor and an agenda of the items to be considered.

244 (f) The commission shall elect annually, from among its members, a chairman, a vice
245 chairman and a treasurer. The commission shall appoint an executive director who shall serve
246 at its pleasure, and it shall fix his duties and compensation. The executive director shall be
247 secretary of the commission. The commission shall make provision for the bonding of such of
248 its officers and employees as it may deem appropriate.

249 (g) Irrespective of the civil service, personnel or other merit system laws of any party
250 state, the executive director shall appoint or discharge such personnel as may be necessary for
251 the performance of the functions of the commission and shall fix their duties and compensation.
252 The commission bylaws shall provide for personnel policies and programs.

253 (h) The commission may borrow, accept or contract for the services of personnel from
254 any state, the United States, or any other governmental entity.

255 (i) The commission may accept for any of its purposes and functions any and all
256 donations and grants of money, equipment, supplies, materials and services, conditional or
257 otherwise, from any governmental entity, and may utilize and dispose of the same.

258 (j) The commission may establish one or more offices for the transacting of its business.

259 (k) The commission shall adopt bylaws for the conduct of its business. The commission
260 shall publish its bylaws in convenient form, and shall file a copy of the bylaws and any
261 amendments thereto with the appropriate agency or officer in each of the party states.

262 (l) The commission annually shall make to the governor and legislature of each party
263 state a report covering its activities for the preceding year. Any donation or grant accepted by
264 the commission or services borrowed shall be reported in the annual report of the commission,
265 and shall include the nature, amount and conditions, if any, of the donation, gift, grant or services
266 borrowed and the identity of the donor or lender. The commission may make additional reports
267 as it may deem desirable.

268 2. (a) To assist in the conduct of its business when the full commission is not meeting,
269 the commission shall have an executive committee of seven members, including the chairman,
270 vice chairman, treasurer and four other members elected annually by the commission. The
271 executive committee, subject to the provisions of this compact and consistent with the policies
272 of the commission, shall function as provided in the bylaws of the commission.

273 (b) The commission may establish advisory and technical committees, membership on
274 which may include private persons and public officials, in furthering any of its activities. Such
275 committees may consider any matter of concern to the commission, including problems of
276 special interest to any party state and problems dealing with particular types of taxes.

277 (c) The commission may establish such additional committees as its bylaws may provide.

278 3. In addition to powers conferred elsewhere in this compact, the commission shall have
279 power to:

280 (a) Study state and local tax systems and particular types of state and local taxes.

281 (b) Develop and recommend proposals for an increase in uniformity or compatibility of
282 state and local tax laws with a view toward encouraging the simplification and improvement of
283 state and local tax law and administration.

284 (c) Compile and publish information as in its judgment would assist the party states in
285 implementation of the compact and taxpayers in complying with state and local tax laws.

286 (d) Do all things necessary and incidental to the administration of its functions pursuant
287 to this compact.

288 4. (a) The commission shall submit to the governor or designated officer or officers of
289 each party state a budget of its estimated expenditures for such period as may be required by the
290 laws of that state for presentation to the legislature thereof.

291 (b) Each of the commission's budgets of estimated expenditures shall contain specific
292 recommendations of the amounts to be appropriated by each of the party states. The total amount
293 of appropriations requested under any such budget shall be apportioned among the party states
294 as follows: one-tenth in equal shares; and the remainder in proportion to the amount of revenue
295 collected by each party state and its subdivisions from income taxes, capital stock taxes, gross
296 receipts taxes, sales and use taxes. In determining such amounts, the commission shall employ
297 such available public sources of information as, in its judgment, present the most equitable and
298 accurate comparisons among the party states. Each of the commission's budgets of estimated
299 expenditures and requests for appropriations shall indicate the sources used in obtaining
300 information employed in applying the formula contained in this paragraph.

301 (c) The commission shall not pledge the credit of any party state. The commission may
302 meet any of its obligations in whole or in part with funds available to it under paragraph 1 (i) of
303 this article; provided that the commission takes specific action setting aside such funds prior to
304 incurring any obligation to be met in whole or in part in such manner. Except where the
305 commission makes use of funds available to it under paragraph 1 (i), the commission shall not
306 incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

307 (d) The commission shall keep accurate accounts of all receipts and disbursements. The
308 receipts and disbursements of the commission shall be subject to the audit and accounting
309 procedures established under its bylaws. All receipts and disbursements of funds handled by the
310 commission shall be audited yearly by a certified or licensed public accountant and the report of
311 the audit shall be included in and become part of the annual report of the commission.

312 (e) The accounts of the commission shall be open at any reasonable time for inspection
313 by duly constituted officers of the party states and by any persons authorized by the commission.

314 (f) Nothing contained in this article shall be construed to prevent commission
315 compliance with laws relating to audit or inspection of accounts by or on behalf of any
316 government contributing to the support of the commission.

317 Article VII

318 1. Whenever any two or more party states, or subdivisions of party states, have uniform
319 or similar provisions of law relating to an income tax, capital stock tax, gross receipts tax, sales
320 or use tax, the commission may adopt uniform regulations for any phase of the administration
321 of such law, including assertion of jurisdiction to tax, or prescribing uniform tax forms. The
322 commission may also act with respect to the provisions of article IV of this compact.

323 2. Prior to the adoption of any regulation, the commission shall:

324 (a) As provided in its bylaws, hold at least one public hearing on due notice to all
325 affected party states and subdivisions thereof and to all taxpayers and other persons who have
326 made timely request of the commission for advance notice of its regulation-making proceedings.

327 (b) Afford all affected party states and subdivisions and interested persons an opportunity
328 to submit relevant written data and views, which shall be considered fully by the commission.

329 3. The commission shall submit any regulations adopted by it to the appropriate officials
330 of all party states and subdivisions to which they might apply. Each such state and subdivision
331 shall consider any such regulation for adoption in accordance with its own laws and procedures.

332 Article VIII

333 1. This article shall be in force only in those party states that specifically provide therefor
334 by statute.

335 2. Any party state or subdivision thereof desiring to make or participate in an audit of
336 any accounts, books, papers, records or other documents may request the commission to perform
337 the audit on its behalf. In responding to the request, the commission shall have access to and
338 may examine, at any reasonable time, such accounts, books, papers, records, and other
339 documents and any relevant property or stock of merchandise. The commission may enter into
340 agreements with party states or their subdivisions for assistance in performance of the audit. The
341 commission shall make charges, to be paid by the state or local government or governments for
342 which it performs the service, for any audits performed by it in order to reimburse itself for the
343 actual costs incurred in making the audit.

344 3. The commission may require the attendance of any person within the state where it
345 is conducting an audit or part thereof at a time and place fixed by it within such state for the
346 purpose of giving testimony with respect to any account, book, paper, document, other record,
347 property or stock of merchandise being examined in connection with the audit. If the person is
348 not within the jurisdiction, he may be required to attend for such purpose at any time and place
349 fixed by the commission within the state of which he is a resident; provided that such state has
350 adopted this article.

351 4. The commission may apply to any court having power to issue compulsory process
352 for orders in aid of its powers and responsibilities pursuant to this article and any and all such
353 courts shall have jurisdiction to issue such orders. Failure of any person to obey any such order
354 shall be punishable as contempt of the issuing court. If the party or subject matter on account
355 of which the commission seeks an order is within the jurisdiction of the court to which
356 application is made, such application may be to a court in the state or subdivision on behalf of
357 which the audit is being made or a court in the state in which the object of the order being sought
358 is situated. The provisions of this paragraph apply only to courts in a state that has adopted this
359 article.

360 5. The commission may decline to perform any audit requested if it finds that its
361 available personnel or other resources are insufficient for the purpose or that, in the terms
362 requested, the audit is impracticable of satisfactory performance. If the commission, on the basis

363 of its experience, has reason to believe that an audit of a particular taxpayer, either at a particular
364 time or on a particular schedule, would be of interest to a number of party states or their
365 subdivisions, it may offer to make the audit or audits, the offer to be contingent on sufficient
366 participation therein as determined by the commission.

367 6. Information obtained by any audit pursuant to this article shall be confidential and
368 available only for tax purposes to party states, their subdivisions or the United States.
369 Availability of information shall be in accordance with the laws of the states or subdivisions on
370 whose account the commission performs the audit, and only through the appropriate agencies or
371 officers of such states or subdivisions. Nothing in this article shall be construed to require any
372 taxpayer to keep records for any period not otherwise required by law.

373 7. Other arrangements made or authorized pursuant to law for cooperative audit by or
374 on behalf of the party states or any of their subdivisions are not superseded or invalidated by this
375 article.

376 8. In no event shall the commission make any charge against a taxpayer for an audit.

377 9. As used in this article, "tax" in addition to the meaning ascribed to it in article II,
378 means any tax or license fee imposed in whole or in part for revenue purposes.

379

Article IX

380 1. Whenever the commission finds a need for settling disputes concerning
381 apportionments and allocations by arbitration, it may adopt a regulation placing this article in
382 effect, notwithstanding the provisions of article VII.

383 2. The commission shall select and maintain an arbitration panel composed of officers
384 and employees of state and local governments and private persons who shall be knowledgeable
385 and experienced in matters of tax law and administration.

386 3. Whenever a taxpayer who has elected to employ article IV, or whenever the laws of
387 the party state or subdivision thereof are substantially identical with the relevant provisions of
388 article IV, the taxpayer, by written notice to the commission and to each party state or
389 subdivision thereof that would be affected, may secure arbitration of an apportionment or
390 allocation, if he is dissatisfied with the final administrative determination of the tax agency of
391 the state or subdivision with respect thereto on the ground that it would subject him to double
392 or multiple taxation by two or more party states or subdivisions thereof. Each party state and
393 subdivision thereof hereby consents to the arbitration as provided herein, and agrees to be bound
394 thereby.

395 4. The arbitration board shall be composed of one person selected by the taxpayer, one
396 by the agency or agencies involved, and one member of the commission's arbitration panel. If
397 the agencies involved are unable to agree on the person to be selected by them, such person shall
398 be selected by lot from the total membership of the arbitration panel. The two persons selected

399 for the board in the manner provided by the foregoing provisions of this paragraph shall jointly
400 select the third member of the board. If they are unable to agree on the selection, the third
401 member shall be selected by lot from among the total membership of the arbitration panel. No
402 member of a board selected by lot shall be qualified to serve if he is an officer or employee or
403 is otherwise affiliated with any party to the arbitration proceeding. Residence within the
404 jurisdiction of a party to the arbitration proceeding shall not constitute affiliation within the
405 meaning of this paragraph.

406 5. The board may sit in any state or subdivision party to the proceeding, in the state of
407 the taxpayer's incorporation, residence or domicile, in any state where the taxpayer does business,
408 or in any place that it finds most appropriate for gaining access to evidence relevant to the matter
409 before it.

410 6. The board shall give due notice of the times and places of its hearings. The parties
411 shall be entitled to be heard, to present evidence, and to examine and cross-examine witnesses.
412 The board shall act by majority vote.

413 7. The board shall have power to administer oaths, take testimony, subpoena and require
414 the attendance of witnesses and the production of accounts, books, papers, records, and other
415 documents, and issue commissions to take testimony. Subpoenas may be signed by any member
416 of the board. In case of failure to obey a subpoena, and upon application by the board, any judge
417 of a court of competent jurisdiction of the state in which the board is sitting or in which the
418 person to whom the subpoena is directed may be found may make an order requiring compliance
419 with the subpoena, and the court may punish failure to obey the order as a contempt. The
420 provisions of this paragraph apply only in states that have adopted this article.

421 8. Unless the parties otherwise agree the expenses and other costs of the arbitration shall
422 be assessed and allocated among the parties by the board in such manner as it may determine.
423 The commission shall fix a schedule of compensation for members of arbitration boards and of
424 other allowable expenses and costs. No officer or employee of a state or local government who
425 serves as a member of a board shall be entitled to compensation therefor unless he is required
426 on account of his service to forego the regular compensation attaching to his public employment,
427 but any such board member shall be entitled to expenses.

428 9. The board shall determine the disputed apportionment or allocation and any matters
429 necessary thereto. The determinations of the board shall be final for purposes of making the
430 apportionment or allocation, but for no other purpose.

431 10. The board shall file with the commission and with each tax agency represented in
432 the proceeding: the determination of the board; the board's written statement of its reasons
433 therefor; the record of the board's proceedings; and any other documents required by the
434 arbitration rules of the commission to be filed.

435 11. The commission shall publish the determinations of boards together with the
436 statements of the reasons therefor.

437 12. The commission shall adopt and publish rules of procedure and practice and shall
438 file a copy of such rules and of any amendment thereto with the appropriate agency or officer in
439 each of the party states.

440 13. Nothing contained herein shall prevent at any time a written compromise of any
441 matter or matters in dispute, if otherwise lawful, by the parties to the arbitration proceeding.

442 Article X

443 1. This compact shall enter into force when enacted into law by any seven states.
444 Thereafter, this compact shall become effective as to any other state upon its enactment thereof.
445 The commission shall arrange for notification of all party states whenever there is a new
446 enactment of the compact.

447 2. Any party state may withdraw from this compact by enacting a statute repealing the
448 same. No withdrawal shall affect any liability already incurred by or chargeable to a party state
449 prior to the time of such withdrawal.

450 3. No proceeding commenced before an arbitration board prior to the withdrawal of a
451 state and to which the withdrawing state or any subdivision thereof is a party shall be
452 discontinued or terminated by the withdrawal, nor shall the board thereby lose jurisdiction over
453 any of the parties to the proceeding necessary to make a binding determination therein.

454 Article XI

455 Nothing in this compact shall be construed to:

456 (a) Affect the power of any state or subdivision thereof to fix rates of taxation, except
457 that a party state shall be obligated to implement article III 2 of this compact.

458 (b) Apply to any tax or fixed fee imposed for the registration of a motor vehicle or any
459 tax on motor fuel, other than a sales tax; provided that the definition of "tax" in article VIII 9 may
460 apply for the purposes of that article and the commission's powers of study and recommendation
461 pursuant to article VI 3 may apply.

462 (c) Withdraw or limit the jurisdiction of any state or local court or administrative officer
463 or body with respect to any person, corporation or other entity or subject matter, except to the
464 extent that such jurisdiction is expressly conferred by or pursuant to this compact upon another
465 agency or body.

466 (d) Supersede or limit the jurisdiction of any court of the United States.

467 Article XII

468 This compact shall be liberally construed so as to effectuate the purposes thereof. The
469 provisions of this compact shall be severable and if any phrase, clause, sentence or provision of
470 this compact is declared to be contrary to the constitution of any state or of the United States or

471 the applicability thereof to any government, agency, person or circumstance is held invalid, the
472 validity of the remainder of this compact and the applicability thereof to any government, agency,
473 person or circumstance shall not be affected thereby. If this compact shall be held contrary to
474 the constitution of any state participating therein, the compact shall remain in full force and
475 effect as to the remaining party states and in full force and effect as to the state affected as to all
476 severable matters.

66.620. 1. All county sales taxes collected by the director of revenue under sections
2 66.600 to 66.630 on behalf of any county~~], less one percent for cost of collection which shall be~~
3 ~~deposited in the state's general revenue fund after payment of premiums for surety bonds as~~
4 ~~provided in section 32.087,]~~ shall be deposited in a special trust fund, which is hereby created,
5 to be known as the "County Sales Tax Trust Fund". ~~[The moneys in the county sales tax trust~~
6 ~~fund shall not be deemed to be state funds and shall not be commingled with any funds of the~~
7 ~~state.]~~ The director of revenue shall keep accurate records of the amount of money in the trust
8 fund which was collected in each county imposing a county sales tax, and the records shall be
9 open to the inspection of officers of the county and the public. Not later than the tenth day of
10 each month, the director of revenue shall distribute all moneys deposited in the trust fund during
11 the preceding month to the county which levied the tax; such funds shall be deposited with the
12 treasurer of the county and all expenditures of funds arising from the county sales tax trust fund
13 shall be by an appropriation act to be enacted by the legislative council of the county, and to the
14 cities, towns and villages located wholly or partly within the county which levied the tax in the
15 manner as set forth in sections 66.600 to 66.630.

16 2. In any county not adopting an additional sales tax and alternate distribution system
17 as provided in section 67.581, for the purposes of distributing the county sales tax, the county
18 shall be divided into two groups, "Group A" and "Group B". Group A shall consist of all cities,
19 towns and villages which are located wholly or partly within the county which levied the tax and
20 which had a city sales tax in effect under the provisions of sections 94.500 to 94.550 on the day
21 prior to the adoption of the county sales tax ordinance, except that beginning January 1, 1980,
22 group A shall consist of all cities, towns and villages which are located wholly or partly within
23 the county which levied the tax and which had a city sales tax approved by the voters of such city
24 under the provisions of sections 94.500 to 94.550 on the day prior to the effective date of the
25 county sales tax. For the purposes of determining the location of consummation of sales for
26 distribution of funds to cities, towns and villages in group A, the boundaries of any such city,
27 town or village shall be the boundary of that city, town or village as it existed on March 19,
28 1984. Group B shall consist of all cities, towns and villages which are located wholly or partly
29 within the county which levied the tax and which did not have a city sales tax in effect under the
30 provisions of sections 94.500 to 94.550 on the day prior to the adoption of the county sales tax

31 ordinance, and shall also include all unincorporated areas of the county which levied the tax;
32 except that, beginning January 1, 1980, group B shall consist of all cities, towns and villages
33 which are located wholly or partly within the county which levied the tax and which did not have
34 a city sales tax approved by the voters of such city under the provisions of sections 94.500 to
35 94.550 on the day prior to the effective date of the county sales tax and shall also include all
36 unincorporated areas of the county which levied the tax.

37 3. Until January 1, 1994, the director of revenue shall distribute to the cities, towns and
38 villages in group A the taxes based on the location in which the sales were deemed consummated
39 under section 66.630 and subsection 12 of section 32.087. Except for distribution governed by
40 section 66.630, after deducting the distribution to the cities, towns and villages in group A, the
41 director of revenue shall distribute the remaining funds in the county sales tax trust fund to the
42 cities, towns and villages and the county in group B as follows: to the county which levied the
43 tax, a percentage of the distributable revenue equal to the percentage ratio that the population of
44 the unincorporated areas of the county bears to the total population of group B; and to each city,
45 town or village in group B located wholly within the taxing county, a percentage of the
46 distributable revenue equal to the percentage ratio that the population of such city, town or
47 village bears to the total population of group B; and to each city, town or village located partly
48 within the taxing county, a percentage of the distributable revenue equal to the percentage ratio
49 that the population of that part of the city, town or village located within the taxing county bears
50 to the total population of group B.

51 4. From January 1, 1994, until December 31, 2016, the director of revenue shall
52 distribute to the cities, towns and villages in group A a portion of the taxes based on the location
53 in which the sales were deemed consummated under section 66.630 and subsection 12 of section
54 32.087 in accordance with the formula described in this subsection and in subsection 6. After
55 deducting the distribution to the cities, towns and villages in group A, the director of revenue
56 shall distribute funds in the county sales tax trust fund to the cities, towns and villages and the
57 county in group B as follows: to the county which levied the tax, ten percent multiplied by the
58 percentage of the population of unincorporated county which has been annexed or incorporated
59 since April 1, 1993, multiplied by the total of all sales tax revenues countywide, and a percentage
60 of the remaining distributable revenue equal to the percentage ratio that the population of
61 unincorporated areas of the county bears to the total population of group B; and to each city,
62 town or village in group B located wholly within the taxing county, a percentage of the
63 remaining distributable revenue equal to the percentage ratio that the population of such city,
64 town or village bears to the total population of group B; and to each city, town or village located
65 partly within the taxing county, a percentage of the remaining distributable revenue equal to the

66 percentage ratio that the population of that part of the city, town or village located within the
67 taxing county bears to the total population of group B.

68 5. (1) From and after January 1, 2017, in each year in which the total revenues from the
69 county sales tax collected under sections 66.600 to 66.630 in the previous calendar year are less
70 than or equal to the amount of such revenues which were collected in the calendar year 2014, the
71 director of revenue shall distribute to the cities, towns, and villages in group A and the cities,
72 towns, and villages, and the county in group B, the amounts required to be distributed under the
73 formula described in subsection 4 and in subsection 6 of this section. From and after January
74 1, 2017, in each year in which the total revenues from the county sales tax collected under
75 sections 66.600 to 66.630 in the previous calendar year is greater than the amount of such
76 revenues which were collected in the calendar year 2014, the director of revenue shall distribute
77 to the cities, towns, and villages in group A a portion of the taxes based on the location in which
78 the sales were deemed consummated under section 66.630 and subsection 12 of section 32.087,
79 in accordance with the formula described in this subsection and in subsection 6. After deducting
80 the distribution to the cities, towns, and villages in group A, the director of revenue shall, subject
81 to the limitation described in subdivision (2) of this subsection, distribute funds in the county
82 sales tax trust fund to the cities, towns, and villages, and the county in group B as follows: to
83 the county which levied the tax, ten percent multiplied by the percentage of the population of
84 unincorporated county which has been annexed or incorporated since April 1, 1993, multiplied
85 by the total of all sales tax revenues countywide, and a percentage of the remaining distributable
86 revenue equal to the percentage ratio that the population of unincorporated areas of the county
87 bears to the total population of group B as adjusted such that no city, town, or village in group
88 B shall receive a distribution that is less than fifty percent of the amount of taxes generated
89 within such city, town, or village based on the location in which the sales were deemed
90 consummated under section 66.630 and subsection 12 of section 32.087; and to each city, town,
91 or village in group B located wholly within the taxing county, a percentage of the remaining
92 distributable revenue equal to the percentage ratio that the population of such city, town, or
93 village bears to the total population of group B, as adjusted such that no city, town, or village in
94 group B shall receive a distribution that is less than fifty percent of the amount of taxes generated
95 within such city, town, or village based on the location in which the sales were deemed
96 consummated under section 66.630 and subsection 12 of section 32.087; and to each city, town,
97 or village located partly within the taxing county, a percentage of the remaining distributable
98 revenue equal to the percentage ratio that the population of that part of the city, town, or village
99 located within the taxing county bears to the total population of group B, as adjusted such that
100 no city, town, or village in group B shall receive a distribution that is less than fifty percent of

101 the amount of taxes generated within such city, town, or village based on the location in which
102 the sales were deemed consummated under section 66.630 and subsection 12 of section 32.087.

103 (2) For purposes of making any adjustment required by this subsection, the director of
104 revenue shall, prior to any distribution to the county or to each city, town, or village in group B
105 located wholly or partly within the taxing county, identify each city, town, or village in group B
106 located wholly or partly within the taxing county that would receive a distribution that is less
107 than fifty percent of the amount of taxes generated within such city, town, or village based on
108 the location in which the sales were deemed consummated under section 66.630 and subsection
109 12 of section 32.087 if no adjustments were made and calculate the difference between the
110 amount that the distribution to each such city, town, or village would have been without any
111 adjustment and the amount that equals fifty percent of the amount of taxes generated within such
112 city, town, or village based on the location in which the sales were deemed consummated under
113 section 66.630 and subsection 12 of section 32.087. Thereafter, the director of revenue shall
114 determine the amount of any adjustment under this subsection as follows:

115 (a) If the aggregate amount of the difference calculated in accordance with this
116 subsection is less than or equal to the aggregate increase in the remaining distributable revenue
117 for the applicable period in the current calendar year over the remaining distributable revenue
118 for the corresponding period in the calendar year 2014, the director of revenue shall deduct the
119 amount of such difference from the remaining distributable revenue and distribute an allocable
120 portion of the amount of such difference to each city, town, or village that would otherwise have
121 received a distribution that is less than fifty percent of the amount of taxes generated within such
122 city, town, or village based on the location in which the sales were deemed consummated under
123 section 66.630 and subsection 12 of section 32.087 if no adjustment were made, such that each
124 such city, town, or village receives a distribution that is equal to fifty percent of the amount of
125 taxes generated within such city, town, or village based on the location in which the sales were
126 deemed consummated under section 66.630 and subsection 12 of section 32.087;

127 (b) If, however, the aggregate amount of the difference calculated in accordance with this
128 subsection is greater than the aggregate increase in the remaining distributable revenue for the
129 applicable period in the current calendar year over the remaining distributable revenue for the
130 corresponding period in the calendar year 2014, the director of revenue shall deduct from the
131 remaining distributable revenue an amount equal to the difference between the remaining
132 distributable revenue for the applicable period in the current calendar year and the remaining
133 distributable revenue for the corresponding period in the calendar year 2014 and distribute an
134 allocable portion of the amount of such difference to each city, town, or village that would
135 otherwise have received a distribution that is less than fifty percent of the amount of taxes
136 generated within such city, town, or village based on the location in which the sales were deemed

137 consummated under section 66.630 and subsection 12 of section 32.087 if no adjustment were
138 made, such that each such city, town, or village receives a distribution that includes an
139 adjustment that is proportionate to the amount of the adjustment that would otherwise have been
140 made if such adjustment were calculated in accordance with paragraph (a) of this subdivision;

141 (c) After determining the amount of the adjustment and making the allocation in
142 accordance with paragraph (a) or (b) of this subdivision, as applicable, the director of revenue
143 shall thereafter distribute the remaining distributable revenue, as adjusted, to the county and to
144 each city, town, or village in group B located wholly or partly within the taxing county in the
145 manner provided in this subsection.

146 (3) For purposes of this subsection, if a city, town, or village is partly in group A and
147 partly in group B, the director of revenue shall calculate fifty percent of the amount of taxes
148 generated within such city, town, or village based on the location in which the sales were deemed
149 consummated under section 66.630 and subsection 12 of section 32.087 by multiplying fifty
150 percent by the amount of all county sales taxes collected by the director of revenue under
151 sections 66.600 to 66.630, less one percent for cost of collection, that are generated within such
152 city, town, or village based on the location in which the sales were deemed consummated under
153 section 66.630 and subsection 12 of section 32.087, regardless of whether such taxes are deemed
154 consummated in group A or group B.

155 6. (1) For purposes of administering the distribution formula of subsections 4 and 5 of
156 this section, the revenues arising each year from sales occurring within each group A city, town
157 or village shall be distributed as follows: until such revenues reach the adjusted county average,
158 as hereinafter defined, there shall be distributed to the city, town or village all of such revenues
159 reduced by the percentage which is equal to ten percent multiplied by the percentage of the
160 population of unincorporated county which has been annexed or incorporated after April 1, 1993;
161 and once revenues exceed the adjusted county average, total revenues shall be shared in
162 accordance with the redistribution formula as defined in this subsection.

163 (2) For purposes of this subsection, the "adjusted county average" is the per capita
164 countywide average of all sales tax distributions during the prior calendar year reduced by the
165 percentage which is equal to ten percent multiplied by the percentage of the population of
166 unincorporated county which has been annexed or incorporated after April 1, 1993; the
167 redistribution formula is as follows: during 1994, each group A city, town and village shall
168 receive that portion of the revenues arising from sales occurring within the municipality that
169 remains after deducting therefrom an amount equal to the cumulative sales tax revenues arising
170 from sales within the municipality multiplied by the percentage which is the sum of ten percent
171 multiplied by the percentage of the population of unincorporated county which has been annexed
172 or incorporated after April 1, 1993, and the percentage, if greater than zero, equal to the product

173 of 8.5 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of
174 cumulative per capita sales taxes arising from sales within the municipality less the adjusted
175 county average. During 1995, each group A city, town and village shall receive that portion of
176 the revenues arising from sales occurring within the municipality that remains after deducting
177 therefrom an amount equal to the cumulative sales tax revenues arising from sales within the
178 municipality multiplied by the percentage which is the sum of ten percent multiplied by the
179 percentage of the population of unincorporated county which has been annexed or incorporated
180 after April 1, 1993, and the percentage, if greater than zero, equal to the product of seventeen
181 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of
182 cumulative per capita sales taxes arising from sales within the municipality less the adjusted
183 county average. From January 1, 1996, until January 1, 2000, each group A city, town and
184 village shall receive that portion of the revenues arising from sales occurring within the
185 municipality that remains after deducting therefrom an amount equal to the cumulative sales tax
186 revenues arising from sales within the municipality multiplied by the percentage which is the
187 sum of ten percent multiplied by the percentage of the population of unincorporated county
188 which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than
189 zero, equal to the product of 25.5 multiplied by the logarithm (to base 10) of the product of 0.035
190 multiplied by the total of cumulative per capita sales taxes arising from sales within the
191 municipality less the adjusted county average. From and after January 1, 2000, the distribution
192 formula covering the period from January 1, 1996, until January 1, 2000, shall continue to apply,
193 except that the percentage computed for sales arising within the municipalities shall be not less
194 than 7.5 percent for municipalities within which sales tax revenues exceed the adjusted county
195 average, nor less than 12.5 percent for municipalities within which sales tax revenues exceed the
196 adjusted county average by at least twenty-five percent.

197 (3) For purposes of applying the redistribution formula to a municipality which is partly
198 within the county levying the tax, the distribution shall be calculated alternately for the
199 municipality as a whole, except that the factor for annexed portion of the county shall not be
200 applied to the portion of the municipality which is not within the county levying the tax, and for
201 the portion of the municipality within the county levying the tax. Whichever calculation results
202 in the larger distribution to the municipality shall be used.

203 (4) Notwithstanding any other provision of this section, the fifty percent of additional
204 sales taxes as described in section 99.845 arising from economic activities within the area of a
205 redevelopment project established after July 12, 1990, pursuant to sections 99.800 to 99.865,
206 while tax increment financing remains in effect shall be deducted from all calculations of
207 countywide sales taxes, shall be distributed directly to the municipality involved, and shall be
208 disregarded in calculating the amounts distributed or distributable to the municipality. Further,

209 any agreement, contract or covenant entered into prior to July 12, 1990, between a municipality
210 and any other political subdivision which provides for an appropriation of incremental sales tax
211 revenues to the special allocation fund of a tax increment financing project while tax increment
212 financing remains in effect shall continue to be in full force and effect and the sales taxes so
213 appropriated shall be deducted from all calculations of countywide sales taxes, shall be
214 distributed directly to the municipality involved, and shall be disregarded in calculating the
215 amounts distributed or distributable to the municipality. In addition, and notwithstanding any
216 other provision of this chapter to the contrary, economic development funds shall be distributed
217 in full to the municipality in which the sales producing them were deemed consummated.
218 Additionally, economic development funds shall be deducted from all calculations of countywide
219 sales taxes and shall be disregarded in calculating the amounts distributed or distributable to the
220 municipality. As used in this subdivision, the term "economic development funds" means the
221 amount of sales tax revenue generated in any fiscal year by projects authorized pursuant to
222 chapter 99 or chapter 100 in connection with which such sales tax revenue was pledged as
223 security for, or was guaranteed by a developer to be sufficient to pay, outstanding obligations
224 under any agreement authorized by chapter 100, entered into or adopted prior to September 1,
225 1993, between a municipality and another public body. The cumulative amount of economic
226 development funds allowed under this provision shall not exceed the total amount necessary to
227 amortize the obligations involved.

228 7. If the qualified voters of any city, town or village vote to change or alter its boundaries
229 by annexing any unincorporated territory included in group B or if the qualified voters of one or
230 more city, town or village in group A and the qualified voters of one or more city, town or village
231 in group B vote to consolidate, the area annexed or the area consolidated which had been a part
232 of group B shall remain a part of group B after annexation or consolidation. After the effective
233 date of the annexation or consolidation, the annexing or consolidated city, town or village shall
234 receive a percentage of the group B distributable revenue equal to the percentage ratio that the
235 population of the annexed or consolidated area bears to the total population of group B and such
236 annexed area shall not be classified as unincorporated area for determination of the percentage
237 allocable to the county. If the qualified voters of any two or more cities, towns or villages in
238 group A each vote to consolidate such cities, towns or villages, then such consolidated cities,
239 towns or villages shall remain a part of group A. For the purpose of sections 66.600 to 66.630,
240 population shall be as determined by the last federal decennial census or the latest census that
241 determines the total population of the county and all political subdivisions therein. For the
242 purpose of calculating the adjustment based on the percentage of unincorporated county
243 population which is annexed after April 1, 1993, the accumulated percentage immediately before
244 each census shall be used as the new percentage base after such census. After any annexation,

245 incorporation or other municipal boundary change affecting the unincorporated area of the
246 county, the chief elected official of the county shall certify the new population of the
247 unincorporated area of the county and the percentage of the population which has been annexed
248 or incorporated since April 1, 1993, to the director of revenue. After the adoption of the county
249 sales tax ordinance, any city, town or village in group A may by adoption of an ordinance by its
250 governing body cease to be a part of group A and become a part of group B. Within ten days
251 after the adoption of the ordinance transferring the city, town or village from one group to the
252 other, the clerk of the transferring city, town or village shall forward to the director of revenue,
253 by registered mail, a certified copy of the ordinance. Distribution to such city as a part of its
254 former group shall cease and as a part of its new group shall begin on the first day of January of
255 the year following notification to the director of revenue, provided such notification is received
256 by the director of revenue on or before the first day of July of the year in which the transferring
257 ordinance is adopted. If such notification is received by the director of revenue after the first day
258 of July of the year in which the transferring ordinance is adopted, then distribution to such city
259 as a part of its former group shall cease and as a part of its new group shall begin the first day
260 of July of the year following such notification to the director of revenue. Once a group A city,
261 town or village becomes a part of group B, such city may not transfer back to group A.

262 8. If any city, town or village shall hereafter change or alter its boundaries, the city clerk
263 of the municipality shall forward to the director of revenue, by registered mail, a certified copy
264 of the ordinance adding or detaching territory from the municipality. The ordinance shall reflect
265 the effective date thereof, and shall be accompanied by a map of the municipality clearly
266 showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and
267 map, the tax imposed by sections 66.600 to 66.630 shall be redistributed and allocated in
268 accordance with the provisions of this section on the effective date of the change of the
269 municipal boundary so that the proper percentage of group B distributable revenue is allocated
270 to the municipality in proportion to any annexed territory. If any area of the unincorporated
271 county elects to incorporate subsequent to the effective date of the county sales tax as set forth
272 in sections 66.600 to 66.630, the newly incorporated municipality shall remain a part of group
273 B. The city clerk of such newly incorporated municipality shall forward to the director of
274 revenue, by registered mail, a certified copy of the incorporation election returns and a map of
275 the municipality clearly showing the boundaries thereof. The certified copy of the incorporation
276 election returns shall reflect the effective date of the incorporation. Upon receipt of the
277 incorporation election returns and map, the tax imposed by sections 66.600 to 66.630 shall be
278 distributed and allocated in accordance with the provisions of this section on the effective date
279 of the incorporation.

280 9. The director of revenue may authorize the state treasurer to make refunds from the
281 amounts in the trust fund and credited to any county for erroneous payments and overpayments
282 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
283 If any county abolishes the tax, the county shall notify the director of revenue of the action [at
284 ~~least ninety days prior to the effective date of the repeal~~] and the director of revenue may order
285 retention in the trust fund, for a period of one year, of two percent of the amount collected after
286 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
287 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
288 after the effective date of abolition of the tax in such county, the director of revenue shall remit
289 the balance in the account to the county and close the account of that county. The director of
290 revenue shall notify each county of each instance of any amount refunded or any check redeemed
291 from receipts due the county.

292 10. Except as modified in sections 66.600 to 66.630, all provisions of sections 32.085
293 ~~[and] to 32.087~~ shall apply to the tax imposed under sections 66.600 to 66.630.

67.395. 1. All sales taxes collected by the director of revenue under sections 67.391 to
2 67.395 on behalf of any county~~[, less one percent for cost of collection which shall be deposited~~
3 ~~in the state's general revenue fund after payment of premiums for surety bonds as provided in~~
4 ~~section 32.087]~~ shall be deposited with the state treasurer in a special trust fund, which is hereby
5 created, to be known as the "County Anti-Drug Sales Tax Trust Fund". ~~[The moneys in the~~
6 ~~county anti-drug sales tax trust fund shall not be deemed to be state funds and shall not be~~
7 ~~commingled with any funds of the state.]~~ The director of revenue shall keep accurate records of
8 the amount of money in the trust fund which was collected in each county imposing a sales tax
9 under sections 67.391 to 67.395, and the records shall be open to the inspection of officers of the
10 county and the public. Not later than the tenth day of each month, the director of revenue shall
11 distribute all moneys deposited in the trust fund during the preceding month to the county which
12 levied the tax. Such funds shall be deposited with the county treasurer of each such county, and
13 all expenditures of funds arising from the county anti-drug sales tax trust fund shall be by an
14 appropriation act to be enacted by the governing body of each such county.

15 2. The director of revenue may authorize the state treasurer to make refunds from the
16 amounts in the trust fund and credited to any county for erroneous payments and overpayments
17 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
18 If any county abolishes the tax, the county shall notify the director of revenue of the action [at
19 ~~least ninety days prior to the effective date of the repeal~~] and the director of revenue may order
20 retention in the trust fund, for a period of one year, of two percent of the amount collected after
21 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
22 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed

23 after the effective date of abolition of the tax in such county, the director of revenue shall
24 authorize the state treasurer to remit the balance in the account to the county and close the
25 account of that county. The director of revenue shall notify each county of each instance of any
26 amount refunded or any check redeemed from receipts due the county.

27 3. Except as modified in sections 67.391 to 67.395, all provisions of sections 32.085
28 ~~[and] to 32.087~~ shall apply to the tax imposed under sections 67.391 to 67.395.

67.525. 1. All county sales taxes collected by the director of revenue under sections
2 67.500 to 67.545 on behalf of any county~~], less one percent for cost of collection, which shall~~
3 ~~be deposited in the state's general revenue fund after payment of premiums for surety bonds as~~
4 ~~provided in section 32.087,]~~ shall be deposited with the state treasurer in a county sales tax trust
5 fund, which fund shall be separate and apart from the county sales tax trust fund established by
6 section 66.620. ~~[The moneys in such county sales tax trust fund shall not be deemed to be state~~
7 ~~funds and shall not be commingled with any funds of the state.]~~ The director of revenue shall
8 keep accurate records of the amount of money in the trust fund which was collected in each
9 county imposing a county sales tax, and the records shall be open to the inspection of officers
10 of the county and to the public. Not later than the tenth day of each month the director of
11 revenue shall distribute all moneys deposited in the trust fund during the preceding month by
12 distributing to the county treasurer, or such other officer as may be designated by the county
13 ordinance or order, of each county imposing the tax authorized by sections 67.500 to 67.545, the
14 sum due the county as certified by the director of revenue.

15 2. The director of revenue may authorize the state treasurer to make refunds from the
16 amounts in the trust fund and credited to any county for erroneous payments and overpayments
17 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
18 If any county abolishes the tax, the county shall notify the director of revenue of the action ~~[at~~
19 ~~least ninety days prior to the effective date of the repeal,]~~ and the director of revenue may order
20 retention in the trust fund, for a period of one year, of two percent of the amount collected after
21 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
22 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
23 after the effective date of abolition of the tax in such county, the director of revenue shall
24 authorize the state treasurer to remit the balance in the account to the county and close the
25 account of that county. The director of revenue shall notify each county of each instance of any
26 amount refunded or any check redeemed from receipts due the county.

27 3. Except as modified in sections 67.500 to 67.545, all provisions of sections 32.085
28 ~~[and] to 32.087~~ shall apply to the tax imposed under sections 67.500 to 67.545.

67.571. 1. The governing body of any county of the first classification with a population
2 of more than eighty-two thousand inhabitants and less than ninety thousand inhabitants may, in

3 addition to any tourism sales tax imposed pursuant to sections 67.671 to 67.685, by a majority
4 vote, impose a sales tax **on all retail sales made in the county which are subject to sales tax**
5 **under chapter 144** for the funding of museums and festivals. For purposes of this section, the
6 term "funding of museums and festivals" shall mean:

7 (1) Funding of museums operating in the county, which are registered with the United
8 States Internal Revenue Service as a 501(C)(3) corporation and which are considered by the
9 board to be tourism attractions; and

10 (2) Funding of organizations that are registered as 501(C)(3) corporations which promote
11 cultural heritage tourism including festivals and the arts.

12 2. Any question submitted to the voters of such county to establish a sales tax pursuant
13 to this section shall be submitted in substantially the following form:

14 Shall the county of _____ (insert the name of the county) impose a sales tax of _____
15 (insert rate of percent) percent to be used to fund (museums, cultural heritage, festivals) in
16 certain areas of the county?

17 YES NO

18 3. If a majority of the votes cast on the proposal by the qualified voters voting thereon
19 are in favor of the proposal, and the tax takes effect pursuant to this section, the museums and
20 festivals board appointed pursuant to subsection 5 of this section shall determine in what manner
21 the tax revenue moneys will be expended, and disbursements of these moneys shall be made
22 strictly in accordance with directions of the board which are consistent with the provisions of
23 sections 67.571 to 67.577. Expenditures of these tax moneys may be made for the employment
24 of personnel selected by the board to assist in carrying out the duties of the board, and the board
25 is expressly authorized to employ such personnel. Expenditures of these tax moneys may be
26 made directly to corporations pursuant to subsection 1 of this section. No such tax revenue
27 moneys shall be disbursed to or on behalf of any corporation, organization or entity that is not
28 duly registered with the Internal Revenue Service as a 501(C)(3) organization.

29 4. Any sales tax imposed pursuant to this section shall be imposed at a rate not to exceed
30 two-tenths of one percent on receipts from the sale of certain tangible personal property or
31 taxable services within the county pursuant to sections 67.571 to 67.577.

32 5. The governing body of any county which imposes a sales tax pursuant to this section
33 may establish a museums and festivals board for the purpose of expending funds collected from
34 any sales tax submitted and approved by the county's voters pursuant to this section. The board
35 shall be comprised of six members who are appointed by the governing body of the county from
36 a list of candidates supplied by the chair of each of the two major political parties of the county.
37 The board shall be comprised of three members from each of the two political parties. Members
38 shall serve for three-year terms, but of the members first appointed, one shall be appointed for

39 a term of one year, two shall be appointed for a term of two years, and two shall be appointed
40 for a term of three years. Each member shall be a resident of the county from which he or she
41 is appointed. The members of the board shall not receive compensation for service on the board,
42 but shall be reimbursed from the tax revenue money for any reasonable and necessary expenses
43 incurred in service on the board.

44 6. In the area of each county in which a sales tax has been imposed in the manner
45 provided by sections 67.571 to 67.577, every retailer within such area shall add the tax imposed
46 by the provisions of sections 67.571 to 67.577 to his sale price, and this tax shall be a debt of the
47 purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the
48 purchase price.

49 7. In counties imposing a tax under the provisions of sections 67.571 to 67.577, in order
50 to permit sellers required to collect and report the sales tax to collect the amount required to be
51 reported and remitted, but not to change the requirements of reporting or remitting the tax, or to
52 serve as a levy of the tax, and in order to avoid fractions of pennies, the ~~[governing body may
53 authorize the use of a bracket system similar to that]~~ **tax shall be calculated as** authorized by
54 the provisions of section 144.285~~[-, and notwithstanding the provisions of that section, this new
55 bracket system shall be used where this tax is imposed and shall apply to all taxable
56 transactions].~~

57 **8. Except as modified in this section, all provisions of sections 32.085 to 32.087 shall**
58 **apply to the tax imposed under this section.**

67.576. 1. The following provisions shall govern the collection of the tax imposed by
2 the provisions of sections 67.571 to 67.577:

3 (1) All applicable provisions contained in sections 144.010 to 144.510 governing the
4 state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the
5 collection of the tax imposed by the provisions of sections 67.571 to 67.577;

6 (2) All exemptions granted to agencies of government, organizations, and persons under
7 the provisions of sections 144.010 to 144.510 are hereby made applicable to the imposition and
8 collection of the tax imposed by sections 67.571 to 67.577.

9 2. The same sales tax permit, exemption certificate and retail certificate required by
10 sections 144.010 to 144.510 for the administration and collection of the state sales tax shall
11 satisfy the requirements of sections 67.571 to 67.577, and no additional permit or exemption
12 certificate or retail certificate shall be required; except that, the director of revenue may prescribe
13 a form of exemption certificate for an exemption from the tax imposed by sections 67.571 to
14 67.577.

15 3. All discounts allowed the retailer pursuant to the provisions of the state sales tax law
16 for the collection of and for payment of taxes pursuant to that act are hereby allowed and made
17 applicable to any taxes collected pursuant to the provisions of sections 67.571 to 67.577.

18 4. The penalties provided in section 32.057 and sections 144.010 to 144.510 for a
19 violation of those acts are hereby made applicable to violations of the provisions of sections
20 67.571 to 67.577.

21 5. ~~[For the purposes of the sales tax imposed by an order pursuant to sections 67.571 to~~
22 ~~67.577, all retail sales shall be deemed to be consummated at the place of business of the retailer]~~
23 **Except as provided in sections 67.571 to 67.577, all provisions of sections 32.085 to 32.087**
24 **shall apply to the tax imposed under sections 67.571 to 67.577.**

67.578. 1. The governing authority of any county of the third classification without a
2 township form of government and with more than sixteen thousand four hundred but less than
3 sixteen thousand five hundred inhabitants may impose a sales tax in an amount not to exceed
4 one-fifth of one percent on all retail sales made in the county which are subject to taxation
5 ~~[pursuant to sections 144.010 to 144.525]~~ **under chapter 144**, to be used solely for the funding
6 of museums. For purposes of this section, the term "museums" means museums operating in the
7 county, which are registered with the United States Internal Revenue Service as a 501(c)(3)
8 corporation and which are considered by the board to be a tourism attraction. The tax authorized
9 by this section shall be in addition to any and all other sales taxes allowed by law, except that no
10 sales tax shall be imposed pursuant to this section unless the governing authority submits to the
11 voters of the county, at a county or state general, primary, or special election, a proposal to
12 authorize the governing authority to impose the tax.

13 2. The ballot of submission shall contain, but need not be limited to, the following
14 language:

15 Shall the county of _____ (insert the name of the county) impose a sales tax of _____
16 (insert rate of percent) percent for the funding of museums? "Museums" means museums
17 operating in the county, which are registered with the United States Internal Revenue Service as
18 a 501(c)(3) corporation and which are considered by the museum board to be a tourism
19 attraction.

20 YES NO

21
22 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
23 to the question, place an "X" in the box opposite "NO".

24
25 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
26 of the proposal, then the sales tax shall become effective ~~[on the first day of the second calendar~~

27 ~~quarter after the director of revenue receives notice of the adoption of the tax]~~ **as provided by**
28 **subsection 19 of section 32.087.** If the proposal receives less than the required majority of
29 votes, then the governing authority shall have no power to impose the tax unless and until the
30 governing authority has again submitted another proposal to authorize the governing authority
31 to impose the sales tax authorized by this section and such proposal is approved by the required
32 majority of the qualified voters voting thereon.

33 3. On or after the effective date of the tax, the director of revenue shall be responsible
34 for the administration, collection, enforcement, and operation of the tax, and sections 32.085
35 ~~[and] to 32.087 shall apply. [The director may retain an amount not to exceed one percent for~~
36 ~~deposit in the general revenue fund to offset the costs of collection.]~~ In order to permit sellers
37 required to collect and report the sales tax to collect the amount required to be reported and
38 remitted, but not to change the requirements of reporting or remitting the tax, or to serve as a
39 levy of the tax, and in order to avoid fractions of pennies, the ~~[governing authority may authorize~~
40 ~~the use of a bracket system similar to that]~~ **tax shall be calculated as** authorized ~~[in]~~ by section
41 144.285~~], and notwithstanding the provisions of that section, this new bracket system shall be~~
42 ~~used where this tax is imposed and shall apply to all taxable transactions].~~ Beginning with the
43 effective date of the tax, every retailer in the county shall add the sales tax to the sale price, and
44 this tax shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law
45 in the same manner as the purchase price. For purposes of this section, all retail sales shall be
46 deemed to be consummated at the place of business of the retailer.

47 4. All applicable provisions in ~~[sections 144.010 to 144.525]~~ **chapter 144** governing the
48 state sales tax, and section 32.057, the uniform confidentiality provision, shall apply to the
49 collection of the tax, and all exemptions granted to agencies of government, organizations, and
50 persons pursuant to sections 144.010 to 144.525 are hereby made applicable to the imposition
51 and collection of the tax. The same sales tax permit, exemption certificate, and retail certificate
52 required by sections 144.010 to 144.525 for the administration and collection of the state sales
53 tax shall satisfy the requirements of this section, and no additional permit or exemption
54 certificate or retail certificate shall be required; except that, the director of revenue may prescribe
55 a form of exemption certificate for an exemption from the tax. All discounts allowed the retailer
56 pursuant to the state sales tax law for the collection of and for payment of taxes are hereby
57 allowed and made applicable to the tax. The penalties for violations provided in section 32.057
58 and ~~[sections 144.010 to 144.525]~~ **chapter 144** are hereby made applicable to violations of this
59 section. If any person is delinquent in the payment of the amount required to be paid pursuant
60 to this section, or in the event a determination has been made against the person for taxes and
61 penalty pursuant to this section, the limitation for bringing suit for the collection of the

62 delinquent tax and penalty shall be the same as that provided in ~~[sections 144.010 to 144.525]~~
 63 **chapter 144.**

64 5. The governing authority may authorize any museum board already existing in the
 65 county, or may establish a museum board, to expend revenue collected pursuant to this section.
 66 In the event that no museum board already exists, the board established pursuant to this section
 67 shall consist of six members who are appointed by the governing authority from a list of
 68 candidates supplied by the chair of each of the two major political parties of the county, with
 69 three members from each of the two parties. Members shall serve for three-year terms, but of
 70 the members first appointed, ~~one~~ **two** shall be appointed for a term of one year, two shall be
 71 appointed for a term of two years, and two shall be appointed for a term of three years. Each
 72 member shall be a resident of the county. The members shall not receive compensation for
 73 service on the board, but shall be reimbursed from the revenues collected pursuant to this section
 74 for any reasonable and necessary expenses incurred in service on the board. The board shall
 75 determine in what manner the revenues will be expended, and disbursements of these moneys
 76 shall be made strictly in accordance with this section. Expenditures may be made for the
 77 employment of personnel selected by the board to assist in carrying out the duties of the board,
 78 and the board is expressly authorized to employ such personnel.

79 6. The governing authority may submit the question of repeal of the tax to the voters at
 80 any county or state general, primary, or special election. The ballot of submission shall contain,
 81 but need not be limited to, the following language:

82 Shall the county of _____ (insert name of county) repeal the sales tax of _____ (insert
 83 rate of percent) percent for the funding of museums?

84 YES NO

85 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
 86 opposed to the question, place an "X" in the box opposite "NO".

87

88 ~~[If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 89 effective on December thirty-first of the calendar year in which the repeal was approved.]~~

67.581. 1. In addition to the sales tax permitted by sections 66.600 to 66.630, any county
 2 of the first class having a charter form of government and having a population of nine hundred
 3 thousand or more may impose an additional countywide sales tax **on all retail sales made in the**
 4 **county which are subject to sales tax under chapter 144** upon approval by a vote of the
 5 qualified voters of the county. The proposal may be submitted to the voters by the governing
 6 body of the county and shall be submitted to the voters at the next general election upon petitions
 7 signed by a number of qualified voters residing in the county equal to at least eight percent of
 8 the votes cast in the county in the next preceding gubernatorial election filed with the governing

9 body of the county. The submission shall include the levying of a sales tax at a rate of not to
10 exceed two hundred seventy-five one-thousandths of one percent on the receipts from the sale
11 at retail of all tangible personal property or taxable services within the county which are also
12 taxable under the provisions of sections 66.600 to 66.630, and shall provide for the distribution
13 of the proceeds in the manner provided in either subsection 4 or subsection 5 of this section. If
14 either of the alternative distribution systems as provided in subsection 4 or subsection 5 of this
15 section is approved by the voters, then the alternative system of distribution may not be
16 submitted to the voters for at least three years from the date of such voter approval.

17 2. The ballot of submission shall contain, but is not limited to, the following language:

18 Shall the County of _____ levy an additional sales tax at the rate of _____ (insert rate)
19 and distribute the proceeds in the manner provided in _____ (insert proper reference)
20 (subsection 4)(subsection 5) of section 67.581, RSMo?

21 YES NO

22

23 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
24 of the proposal, the additional sales tax shall be levied and collected and the proceeds from the
25 additional tax shall be distributed as provided in either subsection 4 or subsection 5 of this
26 section. If a majority of the votes cast by the qualified voters voting thereon are opposed to the
27 proposal, then the governing body of the county shall have no power to impose the additional
28 sales tax authorized by this section unless and until a proposal for the levy of such tax is
29 submitted to and approved by the voters of the county.

30 3. The provisions of sections 66.600 to 66.630 and sections 32.085 ~~and~~ to 32.087,
31 except to the extent otherwise provided in this section, shall govern the levy, collection,
32 distribution and other procedures related to an additional sales tax imposed pursuant to this
33 section.

34 4. In any county adopting an additional sales tax pursuant to the provisions of this
35 section, and selecting the method of distribution provided in this subsection, the proceeds from
36 the sales tax imposed pursuant to this section, less one percent collection cost, shall be
37 distributed first to those municipalities that did not receive during the preceding calendar year
38 ninety-five percent of the amount the municipality would have received by multiplying the
39 population of the municipality by the average per capita sales tax receipt for such county in an
40 amount which will bring each municipality receipt of sales tax moneys up to ninety-five percent
41 of the average per capita receipts from the proceeds of the sales tax imposed pursuant to sections
42 66.600 to 66.630. Any remainder of the money received from the sales tax imposed pursuant
43 to this section shall be distributed to all municipalities on the ratio that the population of each
44 municipality bears to the total population of the county. The average per capita sales tax

45 distribution shall be calculated by dividing the sum of the total sales tax revenue derived from
46 the tax imposed pursuant to sections 66.600 to 66.630 by the total population of the county.
47 Population of each municipality, of the unincorporated area of the county, and the total
48 population of the county shall be determined on the basis of the most recent federal decennial
49 census. For the purposes of this subsection, any city, town, village or the unincorporated area
50 of the county shall be considered a municipality.

51 5. In any county adopting an additional sales tax pursuant to the provisions of this
52 section and selecting the method of distribution provided in this subsection, the proceeds from
53 the sales tax imposed pursuant to this section, less one percent collection cost, shall be
54 distributed to all cities, towns and villages, and the unincorporated areas of the county in group
55 B and to such cities, towns and villages in group A as necessary so that no city, town, or village
56 in group A receives from the combined proceeds of both the sales tax imposed pursuant to this
57 section and the sales tax imposed pursuant to sections 66.600 to 66.630, less than the per capita
58 amount received by the cities, towns and villages and the unincorporated area of the county in
59 group B receives from the total proceeds from both sales taxes.

60 6. The governing body of any county which is imposing a sales tax under the provisions
61 of sections 66.600 to 66.630 may on its own motion and shall, upon petitions filed with the
62 governing body of the county signed by a number of qualified voters residing in the county equal
63 to at least eight percent of the votes cast in the county at the next preceding gubernatorial
64 election, submit to the qualified voters of the county a proposal to change the method of
65 distribution of sales tax proceeds from the manner provided in subsection 2 of section 66.620
66 to the method provided in this subsection. The ballot of submission shall be in substantially the
67 following form:

68 Shall the proceeds from the county sales tax be distributed among the county of _____
69 and the various cities, towns and villages therein in the manner provided in subdivisions (1) and
70 (2) of subsection 6 of section 67.581, RSMo, in lieu of the present manner of distribution?

71 YES NO

72

73 If a majority of the votes cast on the proposal by the qualified voters of the county voting thereon
74 are in favor of the proposal, the sales tax imposed by the county under the provisions of sections
75 66.600 to 66.630 shall be distributed in the manner provided in this subsection and not in the
76 manner provided in subsection 2 of section 66.620. If a majority of the votes cast by the
77 qualified voters of the county voting thereon are opposed to the proposal, then the governing
78 body of the county shall have no power to order the proceeds from the sales tax imposed
79 pursuant to the provisions of sections 66.600 to 66.630 in the manner provided in this subsection
80 in lieu of the method provided in subsection 2 of section 66.620, unless and until a proposal

81 authorizing such method of distribution is submitted to and approved by the voters of the county.
82 If the voters approve the change in the method of distribution of the sales tax proceeds in the
83 manner provided in this subsection, the county clerk of the county shall notify the director of
84 revenue of the change in the method of distribution within ten days after adoption of the proposal
85 and shall inform the director of the effective date of the change in the method of distribution,
86 which shall be on the first day of the third calendar quarter after the director of revenue receives
87 notice. After the effective date of the change in the manner of distribution, the director of
88 revenue shall distribute the proceeds of the sales tax imposed by such county under the
89 provisions of sections 66.600 to 66.630 in the manner provided in this subsection in lieu of the
90 manner of distribution provided in subsection 2 of section 66.620. The proceeds of the sales tax
91 imposed under the provisions of sections 66.600 to 66.630 in any county which elects to have
92 the proceeds distributed in the manner provided in this subsection shall be distributed in the
93 following manner:

94 (1) The proceeds from the sales taxes shall be distributed to the cities, towns and villages
95 in group A and to the cities, towns and villages, and the county in group B as defined in section
96 66.620 in the manner provided in subsection 2 of section 66.620, until an amount equal to the
97 total amount distributed under section 66.620 for the twelve-month period immediately
98 preceding the effective date of the tax levied pursuant to the provisions of this section has been
99 distributed;

100 (2) All moneys received in excess of the total amount distributed under section 66.620
101 for the twelve-month period immediately preceding the effective date of the tax levied pursuant
102 to the provisions of this section shall be distributed to all cities, towns and villages and to the
103 county on the basis that the population of each city, town or village, and in the case of the county
104 the basis that the population of the unincorporated area of the county, bears to the total
105 population of the county. The average per capita sales tax distribution shall be calculated by
106 dividing the sum of the remaining amount of the total sales tax revenues by the total population
107 of the county. Population of each city, town or village, of the unincorporated area of the county,
108 and the total population of the county shall be determined on the basis of the most recent federal
109 decennial census.

110 7. No municipality incorporated after the adoption of the tax authorized by this section
111 shall be included as other than part of the unincorporated area of the county nor receive any share
112 of either the proceeds from the tax levied pursuant to the provisions of this section or the tax
113 levied pursuant to the provisions of sections 66.600 to 66.630 unless, at the time of
114 incorporation, such municipality had a population of ten thousand or more.

115 8. The county sales tax imposed pursuant to this section on the purchase and sale of
116 motor vehicles shall not be collected and remitted by the seller, but shall be collected by the

117 director of revenue at the time application is made for a certificate of title, if the address of the
118 applicant is within the county imposing the additional sales tax. [~~The amounts so collected, less~~
119 ~~one percent collection cost, shall be deposited in the county sales tax trust fund to be distributed~~
120 ~~in accordance with section 66.620. The purchase or sale of motor vehicles shall be deemed to~~
121 ~~be consummated at the address of the applicant for a certificate of title.]~~

122 9. No tax shall be imposed pursuant to this section for the purpose of funding in whole
123 or in part the construction, operation or maintenance of a sports stadium, field house, indoor or
124 outdoor recreational facility, center, playing field, parking facility or anything incidental or
125 necessary to a complex suitable for any type of professional sport, either upon, above or below
126 the ground.

127 10. The director of revenue may authorize the state treasurer to make refunds from the
128 amounts in the trust fund and credited to any county for erroneous payments and overpayments
129 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
130 If any county abolishes the tax, the county shall notify the director of revenue of the action [~~at~~
131 ~~least ninety days prior to the effective date of the repeal]~~ and the director of revenue may order
132 retention in the trust fund, for a period of one year, of two percent of the amount collected after
133 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
134 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
135 after the effective date of abolition of the tax in such county, the director of revenue shall remit
136 the balance in the account to the county and close the account of that county. The director of
137 revenue shall notify each county of each instance of any amount refunded or any check redeemed
138 from receipts due the county.

67.582. 1. The governing body of any county, except a county of the first class with a
2 charter form of government with a population of greater than four hundred thousand inhabitants,
3 is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half
4 of one percent on all retail sales made in such county which are subject to taxation under [~~the~~
5 ~~provisions of sections 144.010 to 144.525]~~ **chapter 144** for the purpose of providing law
6 enforcement services for such county. The tax authorized by this section shall be in addition to
7 any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales
8 tax under the provisions of this section shall be effective unless the governing body of the county
9 submits to the voters of the county, at a county or state general, primary or special election, a
10 proposal to authorize the governing body of the county to impose a tax.

11 2. The ballot of submission shall contain, but need not be limited to, the following
12 language:

13 (1) If the proposal submitted involves only authorization to impose the tax authorized
14 by this section the ballot shall contain substantially the following:

15 Shall the county of _____ (county's name) impose a countywide sales tax of _____
 16 (insert amount) for the purpose of providing law enforcement services for the county?

17 YES NO

18

19 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 20 to the question, place an "X" in the box opposite "NO"; or

21 (2) If the proposal submitted involves authorization to enter into agreements to form a
 22 regional jail district and obligates the county to make payments from the tax authorized by this
 23 section the ballot shall contain substantially the following:

24 Shall the county of _____ (county's name) be authorized to enter into agreements for
 25 the purpose of forming a regional jail district and obligating the county to impose a countywide
 26 sales tax of _____ (insert amount) to fund _____ dollars of the costs to construct a regional
 27 jail and to fund the costs to operate a regional jail, with any funds in excess of that necessary to
 28 construct and operate such jail to be used for law enforcement purposes?

29 YES NO

30 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
 31 opposed to the question, place an "X" in the box opposite "NO".

32

33 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
 34 of the proposal submitted pursuant to subdivision (1) of this subsection, then the ordinance or
 35 order and any amendments thereto shall be in effect ~~[on the first day of the second quarter~~
 36 ~~immediately following the election approving the proposal]~~ **as provided by subsection 19 of**
 37 **section 32.087**. If the constitutionally required percentage of the voters voting thereon are in
 38 favor of the proposal submitted pursuant to subdivision (2) of this subsection, then the ordinance
 39 or order and any amendments thereto shall be in effect ~~[on the first day of the second quarter~~
 40 ~~immediately following the election approving the proposal]~~ **as provided by subsection 19 of**
 41 **section 32.087**. If a proposal receives less than the required majority, then the governing body
 42 of the county shall have no power to impose the sales tax herein authorized unless and until the
 43 governing body of the county shall again have submitted another proposal to authorize the
 44 governing body of the county to impose the sales tax authorized by this section and such
 45 proposal is approved by the required majority of the qualified voters voting thereon. However,
 46 in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve
 47 months from the date of the last proposal pursuant to this section.

48 3. All revenue received by a county from the tax authorized under the provisions of this
 49 section shall be deposited in a special trust fund and shall be used solely for providing law
 50 enforcement services for such county for so long as the tax shall remain in effect. Revenue

51 placed in the special trust fund may also be utilized for capital improvement projects for law
52 enforcement facilities and for the payment of any interest and principal on bonds issued for said
53 capital improvement projects.

54 4. Once the tax authorized by this section is abolished or is terminated by any means, all
55 funds remaining in the special trust fund shall be used solely for providing law enforcement
56 services for the county. Any funds in such special trust fund which are not needed for current
57 expenditures may be invested by the governing body in accordance with applicable laws relating
58 to the investment of other county funds.

59 5. All sales taxes collected by the director of revenue under this section on behalf of any
60 county~~[, less one percent for cost of collection which shall be deposited in the state's general~~
61 ~~revenue fund after payment of premiums for surety bonds as provided in section 32.087,]~~ shall
62 be deposited in a special trust fund, which is hereby created, to be known as the "County Law
63 Enforcement Sales Tax Trust Fund". ~~[The moneys in the county law enforcement sales tax trust~~
64 ~~fund shall not be deemed to be state funds and shall not be commingled with any funds of the~~
65 ~~state.]~~ The director of revenue shall keep accurate records of the amount of money in the trust
66 and which was collected in each county imposing a sales tax under this section, and the records
67 shall be open to the inspection of officers of the county and the public. Not later than the tenth
68 day of each month the director of revenue shall distribute all moneys deposited in the trust fund
69 during the preceding month to the county which levied the tax; such funds shall be deposited
70 with the county treasurer of each such county, and all expenditures of funds arising from the
71 county law enforcement sales tax trust fund shall be by an appropriation act to be enacted by the
72 governing body of each such county. Expenditures may be made from the fund for any law
73 enforcement functions authorized in the ordinance or order adopted by the governing body
74 submitting the law enforcement tax to the voters.

75 6. The director of revenue may authorize the state treasurer to make refunds from the
76 amounts in the trust fund and credited to any county for erroneous payments and overpayments
77 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
78 If any county abolishes the tax, **the repeal of such tax shall become effective as provided in**
79 **subsection 19 of section 32.087.** The county shall notify the director of revenue of the action
80 ~~[at least ninety days prior to the effective date of the repeal]~~ and the director of revenue may
81 order retention in the trust fund, for a period of one year, of two percent of the amount collected
82 after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
83 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
84 after the effective date of abolition of the tax in such county, the director of revenue shall remit
85 the balance in the account to the county and close the account of that county. The director of

86 revenue shall notify each county of each instance of any amount refunded or any check redeemed
87 from receipts due the county.

88 7. Except as modified in this section, all provisions of sections 32.085 ~~and~~ to 32.087
89 shall apply to the tax imposed under this section.

67.583. 1. The governing body of any county of the second class with a population of
2 more than forty thousand but less than sixty thousand and which contains institutions operated
3 by the department of corrections and by the department of mental health is hereby authorized to
4 impose, by ordinance or order, a sales tax in the amount of one-eighth of one percent on all retail
5 sales made in such county which are subject to taxation under ~~[the provisions of sections 144.010~~
6 ~~to 144.525]~~ **chapter 144**. The tax authorized by this section shall be in addition to any and all
7 other sales taxes allowed by law; provided, however, that no ordinance or order imposing a sales
8 tax under the provisions of this section shall be effective unless the governing body of the county
9 submits to the voters of the county, at a county or state general, primary or special election, a
10 proposal to authorize the governing body of the county to impose a tax.

11 2. The ballot of submission shall contain, but need not be limited to, the following
12 language:

13 Shall the county of _____ (county's name) impose a countywide sales tax of _____
14 (insert amount) for the purpose of providing retirement and health care benefits for county
15 employees and their dependents?

16 YES NO

17 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
18 opposed to the question, place an "X" in the box opposite "NO".

19
20 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
21 of the proposal, then the ordinance or order and any amendments thereto shall be in effect **as**
22 **provided in subsection 19 of section 32.087**. If a majority of the votes cast by the qualified
23 voters voting are opposed to the proposal, then the governing body of the county shall have no
24 power to impose the sales tax herein authorized unless and until the governing body of the
25 county shall again have submitted another proposal to authorize the governing body of the county
26 to impose the sales tax authorized by this section and such proposal is approved by a majority
27 of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this
28 section be submitted to the voters sooner than twelve months from the date of the last proposal
29 pursuant to this section.

30 3. All revenue received by a county from the tax authorized under the provisions of this
31 section shall be deposited in a special trust fund and shall be used solely for providing retirement
32 and health care benefits for county employees and their dependents.

33 4. All sales taxes collected by the director of revenue under this section on behalf of any
34 county [~~less one percent for cost of collection which shall be deposited in the state's general~~
35 ~~revenue fund after payment of premiums for surety bonds as provided in section 32.087;~~] shall
36 be deposited in a special trust fund, which is hereby created, to be known as the "County
37 Employee Benefit Sales Tax Trust Fund". [~~The moneys in the county employee benefit sales tax~~
38 ~~trust fund shall not be deemed to be state funds and shall not be commingled with any funds of~~
39 ~~the state.~~] The director of revenue shall keep accurate records of the amount of money in the
40 trust and which was collected in each county imposing a sales tax under this section, and the
41 records shall be open to the inspection of officers of the county and the public. Not later than
42 the tenth day of each month, the director of revenue shall distribute all moneys deposited in the
43 trust fund during the preceding month to the county which levied the tax. Such funds shall be
44 deposited with the county treasurer of each such county, and all expenditures of funds arising
45 from the county employee benefit sales tax trust fund shall be for the provision of retirement
46 benefits or health care benefits for employees of the county and their dependents and for no other
47 purpose.

48 5. The director of revenue may authorize the state treasurer to make refunds from the
49 amounts in the trust fund and credited to any county for erroneous payments and overpayments
50 made and may redeem dishonored checks and drafts deposited to the credit of such counties. If
51 any county abolishes the tax, the county shall notify the director of revenue of the action [~~at least~~
52 ~~ninety days prior to the effective date of the repeal~~] and the director of revenue may order
53 retention in the trust fund, for a period of one year, of two percent of the amount collected after
54 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
55 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
56 after the effective date of abolition of the tax in such county, the director of revenue shall remit
57 the balance in the account to the county and close the account of that county. The director of
58 revenue shall notify each county of each instance of any amount refunded or any check redeemed
59 from receipts due the county.

60 6. Except as modified in this section, all provisions of sections 32.085 [~~and~~] to 32.087
61 shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with more than
2 one hundred ninety-eight thousand but less than one hundred ninety-eight thousand two hundred
3 inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount of
4 up to one-half percent on all retail sales made in such county which are subject to taxation
5 [~~pursuant to sections 144.010 to 144.525~~] **under chapter 144** for the purpose of providing law
6 enforcement services for such county. The tax authorized by this section shall be in addition to
7 any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales

8 tax pursuant to this section shall be effective unless the governing body of the county submits
 9 to the voters of the county, at a county or state general, primary, or special election, a proposal
 10 to authorize the governing body of the county to impose a tax.

11 2. If the proposal submitted involves only authorization to impose the tax authorized by
 12 this section, the ballot of submission shall contain, but need not be limited to, the following
 13 language:

14 Shall the county of _____ (county's name) impose a countywide sales tax of _____
 15 (insert amount) for the purpose of providing law enforcement services for the county?

16 YES NO

17

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 19 to the question, place an "X" in the box opposite "NO".

20

21 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
 22 of the proposal submitted pursuant to this subsection, then the ordinance or order and any
 23 amendments thereto shall be in effect ~~[on the first day of the second quarter immediately~~
 24 ~~following the election approving the proposal]~~ **as provided by subsection 19 of section 32.087.**

25 If a proposal receives less than the required majority, then the governing body of the county shall
 26 have no power to impose the sales tax herein authorized unless and until the governing body of
 27 the county shall again have submitted another proposal to authorize the governing body of the
 28 county to impose the sales tax authorized by this section and such proposal is approved by the
 29 required majority of the qualified voters voting thereon. However, in no event shall a proposal
 30 pursuant to this section be submitted to the voters sooner than twelve months from the date of
 31 the last proposal pursuant to this section.

32 3. Twenty-five percent of the revenue received by a county treasurer from the tax
 33 authorized pursuant to this section shall be deposited in a special trust fund and shall be used
 34 solely by a prosecuting attorney's office for such county for so long as the tax shall remain in
 35 effect. The remainder of revenue shall be deposited in the county law enforcement sales tax trust
 36 fund established pursuant to section 67.582 of the county levying the tax pursuant to this section.
 37 The revenue derived from the tax imposed pursuant to this section shall be used for public law
 38 enforcement services only. No revenue derived from the tax imposed pursuant to this section
 39 shall be used for any private contractor providing law enforcement services or for any private
 40 jail.

41 4. Once the tax authorized by this section is abolished or is terminated by any means, all
 42 funds remaining in the prosecuting attorney's trust fund shall be used solely by a prosecuting
 43 attorney's office for the county. Any funds in such special trust fund which are not needed for

44 current expenditures may be invested by the governing body in accordance with applicable laws
45 relating to the investment of other county funds.

46 5. All sales taxes collected by the director of revenue pursuant to this section on behalf
47 of any county~~[, less one percent for cost of collection which shall be deposited in the state's~~
48 ~~general revenue fund after payment of premiums for surety bonds as provided in section 32.087,]~~
49 shall be deposited in a special trust fund, which is hereby created, to be known as the "County
50 Prosecuting Attorney's Office Sales Tax Trust Fund" or in the county law enforcement sales tax
51 trust fund, pursuant to the deposit ratio in subsection 3 of this section. ~~[The moneys in the trust~~
52 ~~funds shall not be deemed to be state funds and shall not be commingled with any funds of the~~
53 ~~state.]~~ The director of revenue shall keep accurate records of the amount of money in the trusts
54 and which was collected in each county imposing a sales tax pursuant to this section, and the
55 records shall be open to the inspection of officers of the county and the public. Not later than
56 the tenth day of each month the director of revenue shall distribute all moneys deposited in the
57 trust funds during the preceding month to the county which levied the tax; such funds shall be
58 deposited with the county treasurer of each such county, and all expenditures of funds arising
59 from either trust fund shall be by an appropriation act to be enacted by the governing body of
60 each such county. Expenditures may be made from the funds for any functions authorized in the
61 ordinance or order adopted by the governing body submitting the tax to the voters.

62 6. The director of revenue may authorize the state treasurer to make refunds from the
63 amounts in the trust funds and credited to any county for erroneous payments and overpayments
64 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
65 If any county abolishes the tax, **the repeal of such tax shall become effective as provided in**
66 **subsection 19 of section 32.087.** The county shall notify the director of revenue of the action
67 ~~[at least ninety days before the effective date of the repeal]~~ and the director of revenue may order
68 retention in the appropriate trust fund, for a period of one year, of two percent of the amount
69 collected after receipt of such notice to cover possible refunds or overpayments of the tax and
70 to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year
71 has elapsed after the effective date of abolition of the tax in such county, the director of revenue
72 shall remit the balance in the account to the county and close the account of that county
73 established pursuant to this section. The director of revenue shall notify each county of each
74 instance of any amount refunded or any check redeemed from receipts due the county.

75 7. Except as modified in this section, all provisions of sections 32.085 ~~[and]~~ to 32.087
76 shall apply to the tax imposed pursuant to this section.

67.712. 1. All sales taxes collected by the director of revenue under sections 67.700 to
2 67.727 on behalf of any county~~[, less one percent for the cost of collection, which shall be~~
3 ~~deposited in the state's general revenue fund after payment of premiums for surety bonds as~~

4 ~~provided in section 32.087,]~~ shall be deposited with the state treasurer in a special trust fund,
5 which is hereby created, to be known as the "County Alternate Sales Tax Trust Fund". ~~[The~~
6 ~~moneys in the county alternate sales tax trust fund shall not be deemed to be state funds and shall~~
7 ~~not be commingled with any funds of the state.]~~ The director of revenue shall keep accurate
8 records of the amount of money in the trust fund which was collected in each county imposing
9 a sales tax under sections 67.700 to 67.727, and the records shall be open to the inspection of
10 officers of each county and the general public. Not later than the tenth day of each month the
11 director of revenue shall distribute all moneys deposited in the trust fund during the preceding
12 month by distributing to the county treasurer, or such other officer as may be designated by the
13 county ordinance or order, of each county imposing the tax authorized by sections 67.700 to
14 67.727, the sum, as certified by the director of revenue, due the county.

15 2. The director of revenue may authorize the state treasurer to make refunds from the
16 amounts in the trust fund and credited to any county for erroneous payments and overpayments
17 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
18 If any county repeals the tax authorized by sections 67.700 to 67.727, the county shall notify the
19 director of revenue of the action ~~[at least ninety days]~~ prior to the effective date of the repeal and
20 **the repeal shall be effective as provided by subsection 19 of section 32.087.** The director of
21 revenue may order retention in the trust fund, for a period of one year, of two percent of the
22 amount collected after receipt of such notice to cover possible refunds or overpayment of such
23 tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After
24 one year has elapsed after the effective date of repeal of the tax authorized by sections 67.700
25 to 67.727 in such county, the director of revenue shall authorize the state treasurer to remit the
26 balance in the account to the county and close the account of that county. The director of
27 revenue shall notify each county of each instance of any amount refunded or any check redeemed
28 from receipts due the county.

29 3. Except as modified in sections 67.700 to 67.727, all provisions of sections 32.085
30 ~~[and]~~ to 32.087 shall apply to the tax imposed under sections 67.700 to 67.727.

67.713. 1. Notwithstanding the provisions of section 67.712, as to the disposition of any
2 other sales tax imposed under the provisions of sections 67.700 to 67.727, one-fifth of the sales
3 taxes collected by the director of revenue from the tax authorized by section 67.701 on behalf
4 of any county of the first class having a charter form of government and having a population of
5 nine hundred thousand or more~~], less one percent for cost of collection, which shall be deposited~~
6 ~~in the state's general revenue fund after payment of premiums for surety bonds as provided in~~
7 ~~sections 67.700 to 67.727,]~~ shall be deposited in a special trust fund, which is hereby created, to
8 be known as the "County-Municipal Storm Water and Public Works Sales Tax Trust Fund".
9 ~~[The moneys in the county-municipal storm water and public works sales tax trust fund shall not~~

10 ~~be deemed to be state funds and shall not be commingled with any funds of the state.]~~ The
11 director of revenue shall keep accurate records of the amount of money in the trust fund which
12 was collected in each county and the records shall be open to the inspection of officers of the
13 county and of the municipalities within the county and the public. Not later than the tenth day
14 of each month, the director of the department of revenue shall distribute all moneys deposited
15 in the county-municipal storm water and public works sales tax trust fund during the preceding
16 month to the county which levied the tax, and the municipalities which are located wholly or
17 partially within such county as follows:

18 (1) The county which levied the sales tax shall receive a percentage of the distributable
19 revenue equal to the percentage ratio that the population of the unincorporated areas of the
20 county bears to the total population of the county;

21 (2) Each municipality located wholly within the county which levied the tax shall receive
22 a percentage of the distributable revenue equal to the percentage ratio that the population of such
23 municipality bears to the total population of the county; and

24 (3) Each municipality located partially within the county which levied the tax shall
25 receive a percentage of the distributable revenue equal to the percentage ratio that the population
26 of that part of the municipality located within the county bears to the total population of the
27 county.

28 2. The director of revenue may make refunds from the amounts in the county-municipal
29 storm water and public works sales tax trust fund and credited to any county or municipality for
30 erroneous payments and overpayments made, and may redeem dishonored checks and drafts
31 deposited to the credit of such county or municipality. If any county abolishes the tax, the county
32 shall notify the director of revenue of the action ~~[at least ninety days]~~ prior to the effective date
33 of the repeal and **the repeal shall be effective as provided by subsection 19 of section 32.087.**
34 The director of revenue may order retention in the county-municipal storm water and public
35 works sales tax trust fund, for a period of one year, of two percent of the amount collected after
36 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
37 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
38 after the effective date of abolition of the tax in such county, the director of revenue shall remit
39 the balance in the account to the county or municipality and close the account of that county or
40 municipality. The director of revenue shall notify each county or municipality of each instance
41 of any amount refunded or any check redeemed from receipts due the county or municipality.

42 3. If the governing body of any municipality located wholly or partially within the county
43 so requests by resolution, no funds shall be expended from the proceeds of any tax imposed
44 under section 67.701 within the corporate boundaries of the requesting municipality for the
45 construction, reconstruction or widening of any road established or to be established pursuant

46 to section 137.558, the total cost of which exceeds one hundred thousand dollars unless: (a) a
47 public hearing is first held at a place near such proposed action; and (b) plans and specifications
48 of such proposed action are prepared and a cost-benefit analysis prepared in accordance with
49 accepted accounting principles of such proposed action is presented to such public hearing. Such
50 cost-benefit analysis and its work papers shall be a public document and subject to inspection
51 as provided in chapter 610. The provisions of this subsection shall not apply to proposed
52 projects in unincorporated areas of the county.

67.729. 1. Any county except any first class county having a charter form of government
2 and having a population of nine hundred thousand or more may, in the same manner and by the
3 same procedure and subject to the same penalties as set out in sections 67.700 to 67.727, impose
4 a sales tax of not more than one-tenth of one percent **on all retail sales made in the county**
5 **which are subject to sales tax under chapter 144** for the purpose of funding storm water
6 control and public works projects other than stadiums or other sports facilities. This sales tax
7 shall be in addition to any other sales tax authorized by law.

8 2. Notwithstanding the provisions of section 67.712 as to the disposition of any other
9 sales tax imposed under the provisions of sections 67.700 to 67.727, all sales taxes collected by
10 the director of revenue from the tax authorized by this section on behalf of any county[~~less one~~
11 ~~percent for cost of collection, which shall be deposited in the state's general revenue fund after~~
12 ~~payment of premiums for surety bonds as provided in section 32.087;~~] shall be deposited with
13 the state treasurer in a special trust fund, which is hereby created, to be known as the "County
14 Storm Water and Public Works Sales Tax Trust Fund". [~~The moneys in the county storm water~~
15 ~~and public works sales tax trust fund shall not be deemed to be state funds and shall not be~~
16 ~~commingled with any funds of the state.~~] The director of revenue shall keep accurate records of
17 the amount of money in the trust fund which was collected in each county imposing a sales tax
18 under this section and the records shall be open to the inspection of officers of the county and
19 the public. Not later than the tenth day of each month the director of revenue shall distribute all
20 moneys deposited in the county storm water and public works sales tax trust fund during the
21 preceding month to the county which levied the tax, and the municipalities which are located
22 wholly or partially within such county as follows:

23 (1) The county which levied the sales tax shall receive a percentage of the distributable
24 revenue equal to the percentage ratio that the population of the unincorporated areas of the
25 county bears to the total population of the county;

26 (2) Each municipality located wholly within the county which levied the tax shall receive
27 a percentage of the distributable revenue equal to the percentage ratio that the population of such
28 municipality bears to the total population of the county; and

29 (3) Each municipality located partially within the county which levied the tax shall
30 receive a percentage of the distributable revenue equal to the percentage ratio that the population
31 of that part of the municipality located within the county bears to the total population of the
32 county.

33 3. The director of revenue may authorize the state treasurer to make refunds from the
34 amounts in the county storm water and public works sales tax trust fund and credited to any
35 county for erroneous payments and overpayments made, and may redeem dishonored checks and
36 drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall
37 notify the director of revenue of the action ~~[at least ninety days]~~ prior to the effective date of the
38 repeal and **the repeal shall be effective as provided by subsection 19 of section 32.087**. The
39 director of revenue may order retention in the county storm water and public works sales tax trust
40 fund, for a period of one year, of two percent of the amount collected after receipt of such notice
41 to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts
42 deposited to the credit of such accounts. After one year has elapsed after the effective date of
43 abolition of the tax in such county, the director of revenue shall authorize the state treasurer to
44 remit the balance in the account to the county and close the account of that county. The director
45 of revenue shall notify each county of each instance of any amount refunded or any check
46 redeemed from receipts due the county.

47 **4. Except as modified in this section, all provisions of sections 32.085 to 32.087 shall**
48 **apply to the tax imposed under this section.**

67.737. Except as modified in sections 67.730 to 67.739, all provisions of sections
2 32.085 ~~and~~ to 32.087 shall apply to the tax imposed under sections 67.730 to 67.739.

67.738. 1. All sales taxes collected by the director of revenue under sections 67.730 to
2 67.739 on behalf of any county~~], less one percent for the cost of collection, which shall be~~
3 ~~deposited in the state's general revenue fund after payment of premiums for surety bonds as~~
4 ~~provided in section 32.087,]~~ shall be deposited with the state treasurer in a special trust fund,
5 which is hereby created, to be known as the "County Capital Improvement Bond Sales Tax Trust
6 Fund". ~~[The moneys in the county capital improvement bond sales tax trust fund shall not be~~
7 ~~deemed to be state funds and shall not be commingled with any funds of the state.]~~ The director
8 of revenue shall keep accurate records of the amount of money in the trust fund which was
9 collected in each county imposing a sales tax under sections 67.730 to 67.739, and the records
10 shall be open to the inspection of officers of each county and the general public. Not later than
11 the tenth day of each month the director of revenue shall distribute all moneys deposited in the
12 trust fund during the preceding month by distributing to the county treasurer, or such other
13 officer as may be designated by the county ordinance or order, of each county imposing the tax

14 authorized by sections 67.730 to 67.739, the sum, as certified by the director of revenue, due the
 15 county.

16 2. The director of revenue may authorize the state treasurer to make refund from the
 17 amounts in the trust fund and credited to any county for erroneous payments and overpayments
 18 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
 19 If any county repeals the tax authorized by sections 67.730 to 67.739, the county shall notify the
 20 director of revenue of the action [~~at least ninety days~~] prior to the effective date of the repeal or
 21 expiration and **the repeal shall be effective as provided by subsection 19 of section 32.087.**
 22 The director of revenue may order retention in the trust fund, for a period of one year, of two
 23 percent of the amount collected after receipt of such notice to cover possible refunds or
 24 overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit of
 25 such accounts. After one year has elapsed after the effective date of repeal or expiration of the
 26 tax authorized by sections 67.730 to 67.739 in such county, the director of revenue shall remit
 27 the balance in the account to the county and close the account of that county. The director of
 28 revenue shall notify each county of each instance of any amount refunded or any check redeemed
 29 from receipts due the county.

67.745. 1. Any county of the third classification without a township form of government
 2 and with more than eleven thousand seven hundred fifty but fewer than eleven thousand eight
 3 hundred fifty inhabitants may impose a sales tax throughout the county **on all retail sales made**
 4 **in the county which are subject to sales tax under chapter 144** for public recreational projects
 5 and programs, but the sales tax authorized by this section shall not become effective unless the
 6 governing body of such county submits to the qualified voters of the county a proposal to
 7 authorize the county to impose the sales tax.

8 2. The ballot submission shall be in substantially the following form:

9 Shall the County of _____ impose a sales tax of up to one percent for the purpose of
 10 funding the financing, acquisition, construction, operation, and maintenance of recreational
 11 projects and programs, including the acquisition of land for such purposes?

12 YES NO

13 3. If approved by a majority of qualified voters **voting on the issue** in the county, the
 14 governing body of the county shall appoint a board of directors consisting of nine members. Of
 15 the initial members appointed to the board, three members shall be appointed for a term of three
 16 years, three members shall be appointed for a term of two years, and three members shall be
 17 appointed for a term of one year. After the initial appointments, board members shall be
 18 appointed to three-year terms.

19 4. The sales tax may be imposed at a rate of up to one percent on the receipts from the
20 retail sale of all tangible personal property or taxable service within the county~~[, if such property~~
21 ~~and services are subject to taxation by the state of Missouri under sections 144.010 to 144.525].~~

22 5. All revenue collected from the sales tax under this section by the director of revenue
23 on behalf of a county~~[, less one percent for the cost of collection which shall be deposited in the~~
24 ~~state's general revenue fund after payment of premiums for surety bonds as provided in section~~
25 ~~32.087,]~~ shall be deposited with the state treasurer in a special trust fund, which is hereby
26 created, to be known as the "County Recreation Sales Trust Fund". ~~[Moneys in the fund shall~~
27 ~~not be deemed to be state funds and shall not be commingled with any funds of the state.]~~ The
28 director of revenue shall keep accurate records of the amount of money in the trust fund collected
29 in each county imposing a sales tax under this section, and the records shall be open to the
30 inspection of officers of such county and the general public. Not later than the tenth day of each
31 calendar month, the director of revenue shall distribute all moneys deposited in the trust fund
32 during the preceding calendar month by distributing to the county treasurer, or such officer as
33 may be designated by county ordinance or order, of each county imposing the tax under this
34 section the sum due the county as certified by the director of revenue.

35 6. The director of revenue may authorize the state treasurer to make refunds from the
36 amounts in the trust fund and credited to any county for erroneous payments and overpayments
37 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
38 Each county shall notify the director of revenue ~~[at least ninety days]~~ prior to the effective date
39 of the expiration of the sales tax authorized by this section and **the repeal shall be effective as**
40 **provided by subsection 19 of section 32.087.** The director of revenue may order retention in
41 the trust fund for a period of one year of two percent of the amount collected after receipt of such
42 notice to cover possible refunds or overpayments of such tax and to redeem dishonored checks
43 and drafts deposited to the credit of such accounts. After one year has elapsed after the date of
44 expiration of the tax authorized by this section in a county, the director of revenue shall remit
45 the balance in the account to the county and close the account of such county. The director of
46 revenue shall notify each county of each instance of any amount refunded or any check redeemed
47 from receipts due such county.

48 7. The tax authorized under this section may be imposed in accordance with this section
49 by a county in addition to or in lieu of the tax authorized in sections 67.750 to 67.780.

50 8. The sales tax imposed under this section shall expire twenty years from the effective
51 date thereof unless an extension of the tax is submitted to and approved by the qualified voters
52 in the county in the manner provided in this section. Each extension of the sales tax shall be for
53 a period of ten years.

54 9. The provisions of this section shall not in any way affect or limit the powers granted
 55 to any county to establish, maintain, and conduct parks and other recreational grounds for public
 56 recreation.

57 10. Except as modified in this section, the provisions of sections 32.085 ~~and~~ to 32.087
 58 shall apply to the tax imposed under this section.

67.782. 1. Any county of the third class having a population of more than ten thousand
 2 and less than fifteen thousand and any county of the second class having a population of more
 3 than fifty-eight thousand and less than seventy thousand adjacent to such third class county, both
 4 counties making up the same judicial circuit, may jointly impose a sales tax throughout each of
 5 their respective counties **on all retail sales made in the county which are subject to sales tax**
 6 **under chapter 144** for public recreational purposes including the financing, acquisition,
 7 construction, operation and maintenance of recreational projects and programs, but the sales
 8 taxes authorized by this section shall not become effective unless the governing body of each
 9 such county submits to the voters of their respective counties a proposal to authorize the counties
 10 to impose the sales tax.

11 2. The ballot of submission shall be in substantially the following form:

12 Shall the County of _____ impose a sales tax of _____ percent in conjunction with the
 13 county of _____ for the purpose of funding the financing, acquisition, construction, operation
 14 and maintenance of recreational projects and programs, including the acquisition of land for such
 15 purposes?

16 YES NO

17
 18 If a separate majority of the votes cast on the proposal by the qualified voters voting thereon in
 19 each county are in favor of the proposal, then the tax shall be in effect in both counties. If a
 20 majority of the votes cast by the qualified voters voting thereon in either county are opposed to
 21 the proposal, then the governing body of neither county shall have power to impose the sales tax
 22 authorized by this section unless or until the governing body of the county that has not approved
 23 the tax shall again have submitted another proposal to authorize the governing body to impose
 24 the tax, and the proposal is approved by a majority of the qualified voters voting thereon in that
 25 county.

26 3. The sales tax may be imposed at a rate of one percent on the receipts from the sale at
 27 retail of all tangible personal property or taxable service at retail within the county adopting such
 28 tax, if such property and services are subject to taxation by the state of Missouri under ~~the~~
 29 ~~provisions of sections 144.010 to 144.525]~~ **chapter 144.**

30 4. All sales taxes collected by the director of revenue under this section on behalf of any
 31 county, ~~less one percent for the cost of collection, which shall be deposited in the state's general~~

32 ~~revenue fund after payment of premiums for surety bonds as provided in section 32.087,]~~ shall
33 be deposited with the state treasurer in a special trust fund, which is hereby created, to be known
34 as the "County Recreation Sales Tax Trust Fund". ~~[The moneys in the county recreation sales~~
35 ~~tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds~~
36 ~~of the state.]~~ The director of revenue shall keep accurate records of the amount of money in the
37 trust fund which was collected in each county imposing a sales tax under this section, and the
38 records shall be open to the inspection of officers of each county and the general public. Not
39 later than the tenth day of each month, the director of revenue shall distribute all moneys
40 deposited in the trust fund during the preceding month by distributing to the county treasurer, or
41 such other officer as may be designated by the county ordinance or order, of each county
42 imposing the tax authorized by this section, the sum, as certified by the director of revenue, due
43 the county.

44 5. The director of revenue may authorize the state treasurer to make refunds from the
45 amounts in the trust fund and credited to any county for erroneous payments and overpayments
46 made, and may redeem dishonored checks and drafts deposited to the credit of such counties.
47 Each county shall notify the director of revenue ~~[at least ninety days]~~ prior to the effective date
48 of the expiration of the sales tax authorized by this section and **the repeal shall be effective as**
49 **provided by subsection 19 of section 32.087.** The director of revenue may order retention in
50 the trust fund, for a period of one year, of two percent of the amount collected after receipt of
51 such notice to cover possible refunds or overpayment of such tax and to redeem dishonored
52 checks and drafts deposited to the credit of such accounts. After one year has elapsed after the
53 date of expiration of the tax authorized by this section in such county, the director of revenue
54 shall remit the balance in the account to the county and close the account of that county. The
55 director of revenue shall notify each county of each instance of any amount refunded or any
56 check redeemed from receipts due the county.

57 6. The tax authorized by this section may be imposed, in accordance with this section,
58 by a county in addition to or in lieu of the tax authorized by sections 67.750 to 67.780.

59 7. Any county imposing a sales tax pursuant to the provisions of this section may
60 contract with the authority of any other county or with any city or political subdivision for the
61 financing, acquisition, operation, construction, maintenance, or utilization of any recreation
62 facility or project or program funded in whole or in part from revenues derived from the tax
63 levied pursuant to the provisions of this section.

64 8. The sales tax imposed pursuant to the provisions of this section shall expire
65 twenty-five years from the effective date thereof unless an extension of the tax is submitted to
66 and approved by the voters in each county in the manner provided in this section. Each
67 extension of the sales tax shall be for a period of ten years.

68 9. The governing body of each of the counties imposing a sales tax under the provisions
 69 of this section may cooperate with the governing body of any county or other political
 70 subdivision of this state in carrying out the provisions of this section, and may establish and
 71 conduct jointly a system of public recreation. The respective governing bodies administering
 72 programs jointly may provide by agreement among themselves for all matters connected with
 73 the programs and determine what items of cost and expense shall be paid by each.

74 10. The provisions of this section shall not in any way repeal, affect or limit the powers
 75 granted to any county to establish, maintain and conduct parks and other recreational grounds
 76 for public recreation.

77 11. Except as modified in this section, all provisions of sections 32.085 ~~and~~ to 32.087
 78 shall apply to the tax imposed under this section.

67.799. 1. A regional recreational district may, by a majority vote of its board of
 2 directors, impose an annual property tax for the establishment and maintenance of public parks
 3 and recreational facilities and grounds within the boundaries of the regional recreational district
 4 not to exceed sixty cents per year on each one hundred dollars of assessed valuation on all
 5 property within the district, except that no such tax shall become effective unless the board of
 6 directors of the district submits to the voters of the district, at a county or state general, primary
 7 or special election, a proposal to authorize the tax.

8 2. The question shall be submitted in substantially the following form:

9 Shall a _____ cent tax per one hundred dollars assessed valuation be levied for public
 10 parks and recreational facilities?

11 YES NO

12
 13 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
 14 of the proposal, then the tax shall become effective **as provided by subsection 19 of section**
 15 **32.087**. If a majority of the votes cast by the qualified voters voting are opposed to the proposal,
 16 then the board of directors shall have no power to impose the tax unless and until the board of
 17 directors of the district submits another proposal to authorize the tax and such proposal is
 18 approved by a majority of the qualified voters voting thereon.

19 3. The property tax authorized in subsections 1 and 2 of this section shall be levied and
 20 collected in the same manner as other ad valorem property taxes are levied and collected.

21 4. (1) A regional recreational district may, by a majority vote of its board of directors,
 22 impose a tax not to exceed one-half of one cent on all retail sales subject to taxation ~~[pursuant~~
 23 ~~to sections 144.010 to 144.525]~~ **under chapter 144** for the purpose of funding the creation,
 24 operation and maintenance of public parks, recreational facilities and grounds within the
 25 boundaries of a regional recreational district. The tax authorized by this subsection shall be in

26 addition to all other sales taxes allowed by law. No tax pursuant to this subsection shall become
 27 effective unless the board of directors submits to the voters of the district, at a county or state
 28 general, primary or special election, a proposal to authorize the tax, and such tax shall become
 29 effective only after the majority of the voters voting on such tax approve such tax.

30 (2) In the event the district seeks to impose a sales tax pursuant to this subsection, the
 31 question shall be submitted in substantially the following form:

32 Shall a _____ cent sales tax be levied on all retail sales within the district for public
 33 parks and recreational facilities?

34 YES NO

35

36 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
 37 of the proposal, then the tax shall become effective **as provided by subsection 19 of section**
 38 **32.087**. If a majority of the votes cast by the qualified voters voting are opposed to the proposal,
 39 then the board of directors shall have no power to impose the tax unless and until another
 40 proposal to authorize the tax is submitted to the voters of the district and such proposal is
 41 approved by a majority of the qualified voters voting thereon. The provisions of sections 32.085
 42 ~~and~~ to 32.087 shall apply to any tax approved pursuant to this subsection.

43 5. As used in this section, "qualified voters" or "voters" means any individuals residing
 44 within the proposed district who are eligible to be registered voters and who have registered to
 45 vote under chapter 115 or, if no individuals eligible and registered to vote reside within the
 46 proposed district, all of the owners of real property located within the proposed district who have
 47 unanimously petitioned for or consented to the adoption of an ordinance by the governing body
 48 imposing a tax authorized in this section. If the owner of the property within the proposed
 49 district is a political subdivision or corporation of the state, the governing body of such political
 50 subdivision or corporation shall be considered the owner for purposes of this section.

67.997. 1. The governing body of any county of the third classification without a
 2 township form of government and with more than eighteen thousand one hundred but fewer than
 3 eighteen thousand two hundred inhabitants may impose, by order or ordinance, a sales tax on all
 4 retail sales made within the county which are subject to sales tax under chapter 144. The tax
 5 authorized in this section shall not exceed one-fourth of one percent, and shall be imposed solely
 6 for the purpose of funding senior services and youth programs provided by the county. One-half
 7 of all revenue collected under this section ~~[-less one-half the cost of collection,]~~ shall be used
 8 solely to fund any service or activity deemed necessary by the senior service tax commission
 9 established in this section, and one-half of all revenue collected under this section ~~[-less one-half~~
 10 ~~the cost of collection,]~~ shall be used solely to fund all youth programs administered by an
 11 existing county community task force. The tax authorized in this section shall be in addition to

12 all other sales taxes imposed by law, and shall be stated separately from all other charges and
 13 taxes. The order or ordinance shall not become effective unless the governing body of the county
 14 submits to the voters residing within the county at a state general, primary, or special election
 15 a proposal to authorize the governing body of the county to impose a tax under this section.

16 2. The ballot of submission for the tax authorized in this section shall be in substantially
 17 the following form:

18 Shall _____ (insert the name of the county) impose a sales tax at a rate of _____ (insert
 19 rate of percent) percent, with half of the revenue from the tax, less one-half the cost of collection,
 20 to be used solely to fund senior services provided by the county and half of the revenue from the
 21 tax, less one-half the cost of collection, to be used solely to fund youth programs provided by the
 22 county?

23 YES NO

24

25 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 26 to the question, place an "X" in the box opposite "NO".

27

28 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
 29 of the question, then the tax shall become effective ~~[on the first day of the second calendar~~
 30 ~~quarter immediately following the approval of the tax or notification to the department of~~
 31 ~~revenue if such tax will be administered by the department of revenue]~~ **as provided by**
 32 **subsection 19 of section 32.087.** If a majority of the votes cast on the question by the qualified
 33 voters voting thereon are opposed to the question, then the tax shall not become effective unless
 34 and until the question is resubmitted under this section to the qualified voters and such question
 35 is approved by a majority of the qualified voters voting on the question.

36 3. ~~[On or after the effective date of any tax authorized under this section, the county~~
 37 ~~which imposed the tax shall enter into an agreement with the director of the department of~~
 38 ~~revenue for the purpose of collecting the tax authorized in this section. On or after the effective~~
 39 ~~date of the tax the director of revenue shall be responsible for the administration, collection,~~
 40 ~~enforcement, and operation of the tax, and]~~ Sections 32.085 ~~[and]~~ to 32.087 shall apply. All
 41 revenue collected under this section by the director of the department of revenue on behalf of any
 42 county~~[, except for one percent for the cost of collection which shall be deposited in the state's~~
 43 ~~general revenue fund,]~~ shall be deposited in a special trust fund, which is hereby created and
 44 shall be known as the "Senior Services and Youth Programs Sales Tax Trust Fund", and shall
 45 be used solely for the designated purposes. ~~[Moneys in the fund shall not be deemed to be state~~
 46 ~~funds, and shall not be commingled with any funds of the state.]~~ The director may make refunds
 47 from the amounts in the trust fund and credited to the county for erroneous payments and

48 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
49 such county. Any funds in the special trust fund which are not needed for current expenditures
50 shall be invested in the same manner as other funds are invested. Any interest and moneys
51 earned on such investments shall be credited to the fund.

52 4. ~~[In order to permit sellers required to collect and report the sales tax to collect the~~
53 ~~amount required to be reported and remitted, but not to change the requirements of reporting or~~
54 ~~remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the~~
55 ~~governing body of the county may authorize the use of a bracket system similar to that authorized~~
56 ~~in section 144.285 and notwithstanding the provisions of that section, this new bracket system~~
57 ~~shall be used where this tax is imposed and shall apply to all taxable transactions.] Beginning~~
58 with the effective date of the tax, every retailer in the county shall add the sales tax to the sale
59 price, and this tax shall be a debt of the purchaser to the retailer until paid, and shall be
60 recoverable at law in the same manner as the purchase price. ~~[For purposes of this section, all~~
61 ~~retail sales shall be deemed to be consummated at the place of business of the retailer.]~~

62 5. All applicable provisions in ~~[sections 144.010 to 144.525]~~ **chapter 144** governing the
63 state sales tax, and section 32.057, the uniform confidentiality provision, shall apply to the
64 collection of the tax~~], and all exemptions granted to agencies of government, organizations, and~~
65 ~~persons under sections 144.010 to 144.525 are hereby made applicable to the imposition and~~
66 ~~collection of the tax. The same sales tax permit, exemption certificate, and retail certificate~~
67 ~~required by sections 144.010 to 144.525 for the administration and collection of the state sales~~
68 ~~tax shall satisfy the requirements of this section, and no additional permit or exemption~~
69 ~~certificate or retail certificate shall be required; except that, the director of revenue may prescribe~~
70 ~~a form of exemption certificate for an exemption from the tax. All discounts allowed the retailer~~
71 ~~under the state sales tax for the collection of and for payment of taxes are hereby allowed and~~
72 ~~made applicable to the tax. The penalties for violations provided in section 32.057 and sections~~
73 ~~144.010 to 144.525 are hereby made applicable to violations of this section. If any person is~~
74 ~~delinquent in the payment of the amount required to be paid under this section, or in the event~~
75 ~~a determination has been made against the person for taxes and penalty under this section, the~~
76 ~~limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same~~
77 ~~as that provided in sections 144.010 to 144.525].~~

78 6. The governing body of any county that has adopted the sales tax authorized in this
79 section may submit the question of repeal of the tax to the voters on any date available for
80 elections for the county. The ballot of submission shall be in substantially the following form:
81 Shall _____ (insert the name of the county) repeal the sales tax imposed at a rate of
82 _____ (insert rate of percent) percent for the purpose of funding senior services and youth
83 programs provided by the county?

84 YES NO

85

86 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
87 to the question, place an "X" in the box opposite "NO".

88

89 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
90 of repeal, that repeal shall become effective [~~on December thirty-first of the calendar year in~~
91 ~~which such repeal was approved~~] **as provided by subsection 19 of section 32.087**. If a majority
92 of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal,
93 then the sales tax authorized in this section shall remain effective until the question is
94 resubmitted under this section to the qualified voters and the repeal is approved by a majority of
95 the qualified voters voting on the question.

96 7. Whenever the governing body of any county that has adopted the sales tax authorized
97 in this section receives a petition, signed by ten percent of the registered voters of the county
98 voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed
99 under this section, the governing body shall submit to the voters of the county a proposal to
100 repeal the tax. If a majority of the votes cast on the question by the qualified voters voting
101 thereon are in favor of the repeal, the repeal shall become effective [~~on December thirty-first of~~
102 ~~the calendar year in which such repeal was approved~~] **as provided by subsection 19 of section**
103 **32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are
104 opposed to the repeal, then the sales tax authorized in this section shall remain effective until the
105 question is resubmitted under this section to the qualified voters and the repeal is approved by
106 a majority of the qualified voters voting on the question.

107 8. If the tax is repealed or terminated by any means, all funds remaining in the special
108 trust fund shall continue to be used solely for the designated purposes, and the county shall notify
109 the director of the department of revenue of the action [~~at least thirty days~~] before the effective
110 date of the repeal and the director may order retention in the trust fund, for a period of one year,
111 of two percent of the amount collected after receipt of such notice to cover possible refunds or
112 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of
113 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
114 county, the director shall remit the balance in the account to the county and close the account of
115 that county. The director shall notify each county of each instance of any amount refunded or
116 any check redeemed from receipts due the county.

117 9. Each county imposing the tax authorized in this section shall establish a senior
118 services tax commission to administer the portion of the sales tax revenue dedicated to providing
119 senior services. Such commission shall consist of seven members appointed by the county

120 commission. The county commission shall determine the qualifications, terms of office,
121 compensation, powers, duties, restrictions, procedures, and all other necessary functions of the
122 commission.

67.1300. 1. The governing body of any of the contiguous counties of the third
2 classification without a township form of government enumerated in subdivisions (1) to (5) of
3 this subsection or in any county of the fourth classification acting as a county of the second
4 classification, having a population of at least forty thousand but less than forty-five thousand
5 with a state university, and adjoining a county of the first classification with part of a city with
6 a population of three hundred fifty thousand or more inhabitants or a county of the third
7 classification with a township form of government and with a population of at least eight
8 thousand but less than eight thousand four hundred inhabitants or a county of the third
9 classification with more than fifteen townships having a population of at least twenty-one
10 thousand inhabitants or a county of the third classification without a township form of
11 government and with a population of at least seven thousand four hundred but less than eight
12 thousand inhabitants or any county of the third classification with a population greater than three
13 thousand but less than four thousand or any county of the third classification with a population
14 greater than six thousand one hundred but less than six thousand four hundred or any county of
15 the third classification with a population greater than six thousand eight hundred but less than
16 seven thousand or any county of the third classification with a population greater than seven
17 thousand eight hundred but less than seven thousand nine hundred or any county of the third
18 classification with a population greater than eight thousand four hundred sixty but less than eight
19 thousand five hundred or any county of the third classification with a population greater than
20 nine thousand but less than nine thousand two hundred or any county of the third classification
21 with a population greater than ten thousand five hundred but less than ten thousand six hundred
22 or any county of the third classification with a population greater than twenty-three thousand five
23 hundred but less than twenty-three thousand seven hundred or a county of the third classification
24 with a population greater than thirty-three thousand but less than thirty-four thousand or a county
25 of the third classification with a population greater than twenty thousand eight hundred but less
26 than twenty-one thousand or a county of the third classification with a population greater than
27 fourteen thousand one hundred but less than fourteen thousand five hundred or a county of the
28 third classification with a population greater than twenty thousand eight hundred fifty but less
29 than twenty-two thousand or a county of the third classification with a population greater than
30 thirty-nine thousand but less than forty thousand or a county of the third classification with a
31 township form of organization and a population greater than twenty-eight thousand but less than
32 twenty-nine thousand or a county of the third classification with a population greater than fifteen
33 thousand but less than fifteen thousand five hundred or a county of the third classification with

34 a population greater than eighteen thousand but less than nineteen thousand seventy or a county
35 of the third classification with a population greater than thirteen thousand nine hundred but less
36 than fourteen thousand four hundred or a county of the third classification with a population
37 greater than twenty-seven thousand but less than twenty-seven thousand five hundred or a county
38 of the first classification without a charter form of government and a population of at least eighty
39 thousand but not greater than eighty-three thousand or a county of the third classification with
40 a population greater than fifteen thousand but less than fifteen thousand nine hundred without
41 a township form of government which does not adjoin any county of the first, second or fourth
42 classification or a county of the third classification with a population greater than twenty-three
43 thousand but less than twenty-five thousand without a township form of government which does
44 not adjoin any county of the second or fourth classification and does adjoin a county of the first
45 classification with a population greater than one hundred twenty thousand but less than one
46 hundred fifty thousand or in any county of the fourth classification acting as a county of the
47 second classification, having a population of at least forty-eight thousand or any governing body
48 of a municipality located in any of such counties may impose, by ordinance or order, a sales tax
49 on all retail sales made in such county or municipality which are subject to taxation ~~[pursuant~~
50 ~~to the provisions of sections 144.010 to 144.525]~~ **under chapter 144:**

51 (1) A county with a population of at least four thousand two hundred inhabitants but not
52 more than four thousand five hundred inhabitants;

53 (2) A county with a population of at least four thousand seven hundred inhabitants but
54 not more than four thousand nine hundred inhabitants;

55 (3) A county with a population of at least seven thousand three hundred inhabitants but
56 not more than seven thousand six hundred inhabitants;

57 (4) A county with a population of at least ten thousand one hundred inhabitants but not
58 more than ten thousand three hundred inhabitants; and

59 (5) A county with a population of at least four thousand three hundred inhabitants but
60 not more than four thousand five hundred inhabitants.

61 2. The maximum rate for a sales tax pursuant to this section shall be one percent for
62 municipalities and one-half of one percent for counties.

63 3. The tax authorized by this section shall be in addition to any and all other sales taxes
64 allowed by law, except that no ordinance or order imposing a sales tax pursuant to the provisions
65 of this section shall be effective unless the governing body of the county or municipality submits
66 to the voters of the county or municipality, at a regularly scheduled county, municipal or state
67 general or primary election, a proposal to authorize the governing body of the county or
68 municipality to impose a tax. Any sales tax imposed pursuant to this section shall not be
69 authorized for a period of more than five years.

70 4. Such proposal shall be submitted in substantially the following form:

71 Shall the (city, town, village or county) of _____ impose a sales tax of _____ (insert
72 amount) for the purpose of economic development in the (city, town, village or county)?

73 YES NO

74

75 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
76 of the proposal, then the ordinance or order and any amendments thereto shall be in effect ~~on~~
77 ~~the first day of the second quarter after the director of revenue receives notice of adoption of the~~
78 ~~tax] as provided in subsection 19 of section 32.087.~~ If a majority of the votes cast by the
79 qualified voters voting are opposed to the proposal, then the governing body of the county or
80 municipality shall not impose the sales tax authorized in this section until the governing body
81 of the county or municipality resubmits another proposal to authorize the governing body of the
82 county or municipality to impose the sales tax authorized by this section and such proposal is
83 approved by a majority of the qualified voters voting thereon; however no such proposal shall
84 be resubmitted to the voters sooner than twelve months from the date of the submission of the
85 last such proposal.

86 5. All revenue received by a county or municipality from the tax authorized pursuant to
87 the provisions of this section shall be deposited in a special trust fund and shall be used solely
88 for economic development purposes within such county or municipality for so long as the tax
89 shall remain in effect.

90 6. Once the tax authorized by this section is abolished or is terminated by any means, all
91 funds remaining in the special trust fund shall be used solely for economic development purposes
92 within the county or municipality. Any funds in such special trust fund which are not needed for
93 current expenditures may be invested by the governing body in accordance with applicable laws
94 relating to the investment of other county or municipal funds.

95 7. All sales taxes collected by the director of revenue pursuant to this section on behalf
96 of any county or municipality, ~~[less one percent for cost of collection which shall be deposited~~
97 ~~in the state's general revenue fund after payment of premiums for surety bonds as provided in~~
98 ~~section 32.087,]~~ shall be deposited in a special trust fund, which is hereby created, to be known
99 as the "Local Economic Development Sales Tax Trust Fund".

100 8. ~~[The moneys in the local economic development sales tax trust fund shall not be~~
101 ~~deemed to be state funds and shall not be commingled with any funds of the state.]~~ The director
102 of revenue shall keep accurate records of the amount of money in the trust fund and which was
103 collected in each county or municipality imposing a sales tax pursuant to this section, and the
104 records shall be open to the inspection of officers of the county or municipality and the public.

105 9. Not later than the tenth day of each month the director of revenue shall distribute all
106 moneys deposited in the trust fund during the preceding month to the county or municipality
107 which levied the tax. Such funds shall be deposited with the county treasurer of each such
108 county or the appropriate municipal officer in the case of a municipal tax, and all expenditures
109 of funds arising from the local economic development sales tax trust fund shall be by an
110 appropriation act to be enacted by the governing body of each such county or municipality.
111 Expenditures may be made from the fund for any economic development purposes authorized
112 in the ordinance or order adopted by the governing body submitting the tax to the voters.

113 10. The director of revenue may authorize the state treasurer to make refunds from the
114 amounts in the trust fund and credited to any county or municipality for erroneous payments and
115 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
116 such counties and municipalities.

117 11. If any county or municipality abolishes the tax, the county or municipality shall
118 notify the director of revenue of the action [~~at least ninety days~~] prior to the effective date of the
119 repeal and **the repeal shall be effective as provided by subsection 19 of section 32.087**. The
120 director of revenue may order retention in the trust fund, for a period of one year, of two percent
121 of the amount collected after receipt of such notice to cover possible refunds or overpayment of
122 the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts.
123 After one year has elapsed after the effective date of abolition of the tax in such county or
124 municipality, the director of revenue shall remit the balance in the account to the county or
125 municipality and close the account of that county or municipality. The director of revenue shall
126 notify each county or municipality of each instance of any amount refunded or any check
127 redeemed from receipts due the county or municipality.

128 12. Except as modified in this section, all provisions of sections 32.085 [~~and~~] to 32.087
129 shall apply to the tax imposed pursuant to this section.

130 13. For purposes of this section, the term "economic development" is limited to the
131 following:

132 (1) Operations of economic development or community development offices, including
133 the salaries of employees;

134 (2) Provision of training for job creation or retention;

135 (3) Provision of infrastructure and sites for industrial development or for public
136 infrastructure projects; and

137 (4) Refurbishing of existing structures and property relating to community development.

67.1303. 1. The governing body of any home rule city with more than one hundred
2 fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred
3 inhabitants, any home rule city with more than forty-five thousand five hundred but less than

4 forty-five thousand nine hundred inhabitants and the governing body of any city within any
 5 county of the first classification with more than one hundred four thousand six hundred but less
 6 than one hundred four thousand seven hundred inhabitants and the governing body of any county
 7 of the third classification without a township form of government and with more than forty
 8 thousand eight hundred but less than forty thousand nine hundred inhabitants or any city within
 9 such county may impose, by order or ordinance, a sales tax on all retail sales made in the city or
 10 county which are subject to sales tax under chapter 144. In addition, the governing body of any
 11 county of the first classification with more than eighty-five thousand nine hundred but less than
 12 eighty-six thousand inhabitants or the governing body of any home rule city with more than
 13 seventy-three thousand but less than seventy-five thousand inhabitants may impose, by order or
 14 ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax
 15 under chapter 144. The tax authorized in this section shall not be more than one-half of one
 16 percent. The order or ordinance imposing the tax shall not become effective unless the
 17 governing body of the city or county submits to the voters of the city or county at a state general
 18 or primary election a proposal to authorize the governing body to impose a tax under this section.
 19 The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and
 20 shall be stated separately from all other charges and taxes.

21 2. The ballot of submission for the tax authorized in this section shall be in substantially
 22 the following form:

23 Shall _____ (insert the name of the city or county) impose a sales tax at a rate of _____
 24 (insert rate of percent) percent for economic development purposes?

25 YES NO

26
 27 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
 28 of the question, then the tax shall become effective ~~[on the first day of the second calendar~~
 29 ~~quarter following the calendar quarter in which the election was held]~~ **as provided by**
 30 **subsection 19 of section 32.087.** If a majority of the votes cast on the question by the qualified
 31 voters voting thereon are opposed to the question, then the tax shall not become effective unless
 32 and until the question is resubmitted under this section to the qualified voters and such question
 33 is approved by a majority of the qualified voters voting on the question, provided that no
 34 proposal shall be resubmitted to the voters sooner than twelve months from the date of the
 35 submission of the last proposal.

36 3. No revenue generated by the tax authorized in this section shall be used for any retail
 37 development project. At least twenty percent of the revenue generated by the tax authorized in
 38 this section shall be used solely for projects directly related to long-term economic development
 39 preparation, including, but not limited to, the following:

- 40 (1) Acquisition of land;
41 (2) Installation of infrastructure for industrial or business parks;
42 (3) Improvement of water and wastewater treatment capacity;
43 (4) Extension of streets;
44 (5) Providing matching dollars for state or federal grants;
45 (6) Marketing;
46 (7) Construction and operation of job training and educational facilities; and
47 (8) Providing grants and low-interest loans to companies for job training, equipment
48 acquisition, site development, and infrastructure. Not more than twenty-five percent of the
49 revenue generated may be used annually for administrative purposes, including staff and facility
50 costs.

51 4. All revenue generated by the tax shall be deposited in a special trust fund and shall
52 be used solely for the designated purposes. If the tax is repealed, all funds remaining in the
53 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
54 special trust fund which are not needed for current expenditures may be invested by the
55 governing body in accordance with applicable laws relating to the investment of other city or
56 county funds.

57 5. **The director of revenue may authorize the state treasurer to make refunds from**
58 **the amounts in the trust fund and credited to any city or county for erroneous payments**
59 **overpayments made and may redeem dishonored checks and drafts deposited to the credit**
60 **of such counties. If any city or county abolishes the tax authorized under this section, the**
61 **repeal of such tax shall become effective as provided by subsection 19 of section 32.087.**
62 **Each city or county shall notify the director of revenue prior to the effective date of the**
63 **expiration of the sales tax authorized by this section and the repeal shall be effective as**
64 **provided by subsection 19 of section 32.087. The director of revenue may order retention**
65 **in the trust fund, for a period of one year, of two percent of the amount collected after**
66 **receipt of such notice to cover possible refunds or overpayment of such tax and to redeem**
67 **dishonored checks and drafts deposited to the credit of such accounts. After one year has**
68 **elapsed after the date of expiration of the tax authorized by this section in such city or**
69 **county, the director of revenue shall remit the balance in the account to the city or county**
70 **and close the account of that city or county. The director of revenue shall notify each city**
71 **or county of each instance of any amount refunded or any check redeemed from receipts**
72 **due the city or county.**

73 6. Any city or county imposing the tax authorized in this section shall establish an
74 economic development tax board. The board shall consist of eleven members, to be appointed
75 as follows:

76 (1) Two members shall be appointed by the school boards whose districts are included
77 within any economic development plan or area funded by the sales tax authorized in this section.
78 Such members shall be appointed in any manner agreed upon by the affected districts;

79 (2) One member shall be appointed, in any manner agreed upon by the affected districts,
80 to represent all other districts levying ad valorem taxes within the area selected for an economic
81 development project or area funded by the sales tax authorized in this section, excluding
82 representatives of the governing body of the city or county;

83 (3) One member shall be appointed by the largest public school district in the city or
84 county;

85 (4) In each city or county, five members shall be appointed by the chief elected officer
86 of the city or county with the consent of the majority of the governing body of the city or county;

87 (5) In each city, two members shall be appointed by the governing body of the county
88 in which the city is located. In each county, two members shall be appointed by the governing
89 body of the county. At the option of the members appointed by a city or county the members
90 who are appointed by the school boards and other taxing districts may serve on the board for a
91 term to coincide with the length of time an economic development project, plan, or designation
92 of an economic development area is considered for approval by the board, or for the definite
93 terms as provided in this subsection. If the members representing school districts and other
94 taxing districts are appointed for a term coinciding with the length of time an economic
95 development project, plan, or area is approved, such term shall terminate upon final approval of
96 the project, plan, or designation of the area by the governing body of the city or county. If any
97 school district or other taxing jurisdiction fails to appoint members of the board within thirty
98 days of receipt of written notice of a proposed economic development plan, economic
99 development project, or designation of an economic development area, the remaining members
100 may proceed to exercise the power of the board. Of the members first appointed by the city or
101 county, three shall be designated to serve for terms of two years, three shall be designated to
102 serve for a term of three years, and the remaining members shall be designated to serve for a term
103 of four years from the date of such initial appointments. Thereafter, the members appointed by
104 the city or county shall serve for a term of four years, except that all vacancies shall be filled for
105 unexpired terms in the same manner as were the original appointments.

106 ~~[6-]~~ 7. The board, subject to approval of the governing body of the city or county, shall
107 develop economic development plans, economic development projects, or designations of an
108 economic development area, and shall hold public hearings and provide notice of any such
109 hearings. The board shall vote on all proposed economic development plans, economic
110 development projects, or designations of an economic development area, and amendments
111 thereto, within thirty days following completion of the hearing on any such plan, project, or

112 designation, and shall make recommendations to the governing body within ninety days of the
 113 hearing concerning the adoption of or amendment to economic development plans, economic
 114 development projects, or designations of an economic development area.

115 ~~[7-]~~ **8.** The board shall report at least annually to the governing body of the city or county
 116 on the use of the funds provided under this section and on the progress of any plan, project, or
 117 designation adopted under this section.

118 ~~[8-]~~ **9.** The governing body of any city or county that has adopted the sales tax authorized
 119 in this section may submit the question of repeal of the tax to the voters on any date available for
 120 elections for the city or county. The ballot of submission shall be in substantially the following
 121 form:

122 Shall _____ (insert the name of the city or county) repeal the sales tax imposed at a rate
 123 of _____ (insert rate of percent) percent for economic development purposes?

124 YES NO

125

126 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 127 effective ~~[on December thirty-first of the calendar year in which such repeal was approved]~~ **as**
 128 **provided by subsection 19 of section 32.087.** If a majority of the votes cast on the question by
 129 the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this
 130 section shall remain effective until the question is resubmitted under this section to the qualified
 131 voters of the city or county, and the repeal is approved by a majority of the qualified voters
 132 voting on the question.

133 ~~[9-]~~ **10.** Whenever the governing body of any city or county that has adopted the sales
 134 tax authorized in this section receives a petition, signed by ten percent of the registered voters
 135 of the city or county voting in the last gubernatorial election, calling for an election to repeal the
 136 sales tax imposed under this section, the governing body shall submit to the voters a proposal
 137 to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting
 138 thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of
 139 the calendar year in which such repeal was approved. If a majority of the votes cast on the
 140 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall
 141 remain effective until the question is resubmitted under this section to the qualified voters and
 142 the repeal is approved by a majority of the qualified voters voting on the question. **If the city**
 143 **or county abolishes the tax, the city or county shall notify the director of revenue of the**
 144 **action at least one hundred twenty days prior to the effective date of the repeal.**

145 **11. After the effective date of any tax imposed under the provisions of this section,**
 146 **the director of revenue shall perform all functions incident to the administration,**
 147 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**

148 **the state of Missouri, the additional tax authorized under this section. The tax imposed**
 149 **under this section and the tax imposed under the sales tax law of the state of Missouri shall**
 150 **be collected together and reported upon such forms and under such administrative rules**
 151 **and regulations as may be prescribed by the director of revenue.**

152 **12. Except as provided in this section, all provisions of sections 32.085 to 32.087**
 153 **shall apply to the tax imposed under this section.**

67.1305. 1. As used in this section, the term "city" shall mean any incorporated city,
 2 town, or village.

3 2. In lieu of the sales taxes authorized under sections 67.1300 and 67.1303, the
 4 governing body of any city or county may impose, by order or ordinance, a sales tax on all retail
 5 sales made in the city or county which are subject to sales tax under chapter 144. The tax
 6 authorized in this section shall not be more than one-half of one percent. The order or ordinance
 7 imposing the tax shall not become effective unless the governing body of the city or county
 8 submits to the voters of the city or county at any citywide, county or state general, primary or
 9 special election a proposal to authorize the governing body to impose a tax under this section.
 10 The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and
 11 shall be stated separately from all other charges and taxes. The tax authorized in this section
 12 shall not be imposed by any city or county that has imposed a tax under section 67.1300 or
 13 67.1303 unless the tax imposed under those sections has expired or been repealed.

14 3. The ballot of submission for the tax authorized in this section shall be in substantially
 15 the following form:

16 Shall _____ (insert the name of the city or county) impose a sales tax at a rate of _____
 17 (insert rate of percent) percent for economic development purposes?

18 YES NO

19

20 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
 21 of the question, then the tax shall become effective ~~[on the first day of the second calendar~~
 22 ~~quarter following the calendar quarter in which the election was held]~~ **as provided by**
 23 **subsection 19 of section 32.087.** If a majority of the votes cast on the question by the qualified
 24 voters voting thereon are opposed to the question, then the tax shall not become effective unless
 25 and until the question is resubmitted under this section to the qualified voters and such question
 26 is approved by a majority of the qualified voters voting on the question, provided that no
 27 proposal shall be resubmitted to the voters sooner than twelve months from the date of the
 28 submission of the last proposal.

29 4. All sales taxes collected by the director of revenue under this section on behalf of any
 30 county or municipality, less one percent for cost of collection which shall be deposited in the

31 state's general revenue fund after payment of premiums for surety bonds as provided in section
32 32.087, shall be deposited in a special trust fund, which is hereby created, to be known as the
33 "Local Option Economic Development Sales Tax Trust Fund".

34 5. ~~[The moneys in the local option economic development sales tax trust fund shall not~~
35 ~~be deemed to be state funds and shall not be commingled with any funds of the state.]~~ The
36 director of revenue shall keep accurate records of the amount of money in the trust fund and
37 which was collected in each city or county imposing a sales tax pursuant to this section, and the
38 records shall be open to the inspection of officers of the city or county and the public.

39 6. Not later than the tenth day of each month the director of revenue shall distribute all
40 moneys deposited in the trust fund during the preceding month to the city or county which levied
41 the tax. Such funds shall be deposited with the county treasurer of each such county or the
42 appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising
43 from the local economic development sales tax trust fund shall be in accordance with this
44 section.

45 7. The director of revenue may authorize the state treasurer to make refunds from the
46 amounts in the trust fund and credited to any city or county for erroneous payments and
47 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
48 such cities and counties.

49 8. If any county or municipality abolishes the tax, the city or county shall notify the
50 director of revenue of the action ~~[at least ninety days]~~ prior to the effective date of the repeal and
51 **the repeal shall be effective as provided by subsection 19 of section 32.087.** The director of
52 revenue may order retention in the trust fund, for a period of one year, of two percent of the
53 amount collected after receipt of such notice to cover possible refunds or overpayment of the tax
54 and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one
55 year has elapsed after the effective date of abolition of the tax in such city or county, the director
56 of revenue shall remit the balance in the account to the city or county and close the account of
57 that city or county. The director of revenue shall notify each city or county of each instance of
58 any amount refunded or any check redeemed from receipts due the city or county.

59 9. Except as modified in this section, all provisions of sections 32.085 ~~[and]~~ to 32.087
60 shall apply to the tax imposed pursuant to this section.

61 10. (1) No revenue generated by the tax authorized in this section shall be used for any
62 retail development project, except for the redevelopment of downtown areas and historic
63 districts. Not more than twenty-five percent of the revenue generated shall be used annually for
64 administrative purposes, including staff and facility costs.

65 (2) At least twenty percent of the revenue generated by the tax authorized in this section
66 shall be used solely for projects directly related to long-term economic development preparation,
67 including, but not limited to, the following:

- 68 (a) Acquisition of land;
- 69 (b) Installation of infrastructure for industrial or business parks;
- 70 (c) Improvement of water and wastewater treatment capacity;
- 71 (d) Extension of streets;
- 72 (e) Public facilities directly related to economic development and job creation; and
- 73 (f) Providing matching dollars for state or federal grants relating to such long-term
74 projects.

75 (3) The remaining revenue generated by the tax authorized in this section may be used
76 for, but shall not be limited to, the following:

- 77 (a) Marketing;
- 78 (b) Providing grants and loans to companies for job training, equipment acquisition, site
79 development, and infrastructures;
- 80 (c) Training programs to prepare workers for advanced technologies and high skill jobs;
- 81 (d) Legal and accounting expenses directly associated with the economic development
82 planning and preparation process;
- 83 (e) Developing value-added and export opportunities for Missouri agricultural products.

84 11. All revenue generated by the tax shall be deposited in a special trust fund and shall
85 be used solely for the designated purposes. If the tax is repealed, all funds remaining in the
86 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
87 special trust fund which are not needed for current expenditures may be invested by the
88 governing body in accordance with applicable laws relating to the investment of other city or
89 county funds.

90 12. (1) Any city or county imposing the tax authorized in this section shall establish an
91 economic development tax board. The volunteer board shall receive no compensation or
92 operating budget.

93 (2) The economic development tax board established by a city shall consist of at least
94 five members, but may be increased to nine members. Either a five-member or nine-member
95 board shall be designated in the order or ordinance imposing the sales tax authorized by this
96 section, and the members are to be appointed as follows:

- 97 (a) One member of a five-member board, or two members of a nine-member board, shall
98 be appointed by the school districts included within any economic development plan or area
99 funded by the sales tax authorized in this section. Such member or members shall be appointed
100 in any manner agreed upon by the affected districts;

101 (b) Three members of a five-member board, or five members of a nine-member board,
102 shall be appointed by the chief elected officer of the city with the consent of the majority of the
103 governing body of the city;

104 (c) One member of a five-member board, or two members of a nine-member board, shall
105 be appointed by the governing body of the county in which the city is located.

106 (3) The economic development tax board established by a county shall consist of seven
107 members, to be appointed as follows:

108 (a) One member shall be appointed by the school districts included within any economic
109 development plan or area funded by the sales tax authorized in this section. Such member shall
110 be appointed in any manner agreed upon by the affected districts;

111 (b) Four members shall be appointed by the governing body of the county; and

112 (c) Two members from the cities, towns, or villages within the county appointed in any
113 manner agreed upon by the chief elected officers of the cities or villages.

114

115 Of the members initially appointed, three shall be designated to serve for terms of two years,
116 except that when a nine-member board is designated, seven of the members initially appointed
117 shall be designated to serve for terms of two years, and the remaining members shall be
118 designated to serve for a term of four years from the date of such initial appointments.
119 Thereafter, the members appointed shall serve for a term of four years, except that all vacancies
120 shall be filled for unexpired terms in the same manner as were the original appointments.

121 (4) If an economic development tax board established by a city is already in existence
122 on August 28, 2012, any increase in the number of members of the board shall be designated in
123 an order or ordinance. The four board members added to the board shall be appointed to a term
124 with an expiration coinciding with the expiration of the terms of the three board member
125 positions that were originally appointed to terms of two years. Thereafter, the additional
126 members appointed shall serve for a term of four years, except that all vacancies shall be filled
127 for unexpired terms in the same manner as were the additional appointments.

128 13. The board, subject to approval of the governing body of the city or county, shall
129 consider economic development plans, economic development projects, or designations of an
130 economic development area, and shall hold public hearings and provide notice of any such
131 hearings. The board shall vote on all proposed economic development plans, economic
132 development projects, or designations of an economic development area, and amendments
133 thereto, within thirty days following completion of the hearing on any such plan, project, or
134 designation, and shall make recommendations to the governing body within ninety days of the
135 hearing concerning the adoption of or amendment to economic development plans, economic
136 development projects, or designations of an economic development area. The governing body

137 of the city or county shall have the final determination on use and expenditure of any funds
138 received from the tax imposed under this section.

139 14. The board may consider and recommend using funds received from the tax imposed
140 under this section for plans, projects or area designations outside the boundaries of the city or
141 county imposing the tax if, and only if:

142 (1) The city or county imposing the tax or the state receives significant economic benefit
143 from the plan, project or area designation; and

144 (2) The board establishes an agreement with the governing bodies of all cities and
145 counties in which the plan, project or area designation is located detailing the authority and
146 responsibilities of each governing body with regard to the plan, project or area designation.

147 15. Notwithstanding any other provision of law to the contrary, the economic
148 development sales tax imposed under this section when imposed within a special taxing district,
149 including but not limited to a tax increment financing district, neighborhood improvement
150 district, or community improvement district, shall be excluded from the calculation of revenues
151 available to such districts, and no revenues from any sales tax imposed under this section shall
152 be used for the purposes of any such district unless recommended by the economic development
153 tax board established under this section and approved by the governing body imposing the tax.

154 16. The board and the governing body of the city or county imposing the tax shall report
155 at least annually to the governing body of the city or county on the use of the funds provided
156 under this section and on the progress of any plan, project, or designation adopted under this
157 section and shall make such report available to the public.

158 17. Not later than the first day of March each year the board shall submit to the joint
159 committee on economic development a report, not exceeding one page in length, which must
160 include the following information for each project using the tax authorized under this section:

161 (1) A statement of its primary economic development goals;

162 (2) A statement of the total economic development sales tax revenues received during
163 the immediately preceding calendar year;

164 (3) A statement of total expenditures during the preceding calendar year in each of the
165 following categories:

166 (a) Infrastructure improvements;

167 (b) Land and/or buildings;

168 (c) Machinery and equipment;

169 (d) Job training investments;

170 (e) Direct business incentives;

171 (f) Marketing;

172 (g) Administration and legal expenses; and

173 (h) Other expenditures.

174 18. The governing body of any city or county that has adopted the sales tax authorized
175 in this section may submit the question of repeal of the tax to the voters on any date available for
176 elections for the city or county. The ballot of submission shall be in substantially the following
177 form:

178 Shall _____ (insert the name of the city or county) repeal the sales tax imposed at a rate
179 of _____ (insert rate of percent) percent for economic development purposes?

180 YES NO

181

182 If a majority of the votes cast on the proposal are in favor of the repeal, that repeal shall become
183 effective ~~[on December thirty-first of the calendar year in which such repeal was approved]~~ **as**
184 **provided by subsection 19 of section 32.087.** If a majority of the votes cast on the question by
185 the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this
186 section shall remain effective until the question is resubmitted under this section to the qualified
187 voters of the city or county, and the repeal is approved by a majority of the qualified voters
188 voting on the question.

189 19. Whenever the governing body of any city or county that has adopted the sales tax
190 authorized in this section receives a petition, signed by ten percent of the registered voters of the
191 city or county voting in the last gubernatorial election, calling for an election to repeal the sales
192 tax imposed under this section, the governing body shall submit to the voters a proposal to repeal
193 the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are
194 in favor of the repeal, that repeal shall become effective ~~[on December thirty-first of the calendar~~
195 ~~year in which such repeal was approved]~~ **as provided by subsection 19 of section 32.087.** If
196 a majority of the votes cast on the question by the qualified voters voting thereon are opposed
197 to the repeal, then the tax shall remain effective until the question is resubmitted under this
198 section to the qualified voters and the repeal is approved by a majority of the qualified voters
199 voting on the question.

200 20. If any provision of this section or section 67.1303 or the application thereof to any
201 person or circumstance is held invalid, the invalidity shall not affect other provisions or
202 application of this section or section 67.1303 which can be given effect without the invalid
203 provision or application, and to this end the provisions of this section and section 67.1303 are
204 declared severable.

67.1545. 1. Any district formed as a political subdivision may impose by resolution a
2 district sales and use tax on all retail sales made in such district which are subject to taxation
3 ~~[pursuant to sections 144.010 to 144.525]~~ **under chapter 144**, except sales of motor vehicles,
4 trailers, boats ~~[or]~~ , outboard motors ~~[and sales to or by public utilities and providers of~~

5 ~~communications, cable, or video services]~~, **electricity, piped natural or artificial gas, or other**
 6 **fuels delivered by the seller.** Any sales and use tax imposed pursuant to this section may be
 7 imposed in increments of one-eighth of one percent, up to a maximum of one percent. Such
 8 district sales and use tax may be imposed for any district purpose designated by the district in
 9 its ballot of submission to its qualified voters; except that, no resolution adopted pursuant to this
 10 section shall become effective unless the board of directors of the district submits to the qualified
 11 voters of the district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this
 12 section. If a majority of the votes cast by the qualified voters on the proposed sales tax are in
 13 favor of the sales tax, then the resolution is adopted. If a majority of the votes cast by the
 14 qualified voters are opposed to the sales tax, then the resolution is void.

15 2. The ballot shall be substantially in the following form:

16 Shall the _____ (insert name of district) Community Improvement District impose a
 17 community improvement districtwide sales and use tax at the maximum rate of _____ (insert
 18 amount) for a period of _____ (insert number) years from the date on which such tax is first
 19 imposed for the purpose of providing revenue for _____ (insert general description of the
 20 purpose)?

21 YES NO

22

23 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 24 to the question, place an "X" in the box opposite "NO".

25 3. Within ten days after the qualified voters have approved the imposition of the sales
 26 and use tax, the district shall, in accordance with section 32.087, notify the director of the
 27 department of revenue. The sales and use tax authorized by this section shall become effective
 28 ~~[on the first day of the second calendar quarter after the director of the department of revenue~~
 29 ~~receives notice of the adoption of such tax]~~ **as provided by subsection 19 of section 32.087.**

30 4. ~~[The director of the department of revenue shall collect any tax adopted pursuant to~~
 31 ~~this section pursuant to section 32.087]~~ **After the effective date of any tax imposed under the**
 32 **provisions of this section, the director of revenue shall perform all functions incident to the**
 33 **administration, collection, enforcement, and operation of the tax and collect, in addition**
 34 **to the sales tax for the state of Missouri, the additional tax authorized under the authority**
 35 **of this section. The tax imposed under this section and the tax imposed under the sales tax**
 36 **law of the state of Missouri shall be collected together and reported upon such forms and**
 37 **under such administrative rules and regulations as may be prescribed by the director of**
 38 **revenue.**

39 5. In each district in which a sales and use tax is imposed pursuant to this section, every
 40 retailer shall add such additional tax imposed by the district to such retailer's sale price, and when

41 so added such tax shall constitute a part of the purchase price, shall be a debt of the purchaser
42 to the retailer until paid and shall be recoverable at law in the same manner as the purchase price.

43 6. ~~[In order to allow retailers to collect and report the sales and use tax authorized by this~~
44 ~~section as well as all other sales and use taxes required by law in the simplest and most efficient~~
45 ~~manner possible, a district may establish appropriate brackets to be used in the district imposing~~
46 ~~a tax pursuant to this section in lieu of the brackets provided in section 144.285.~~

47 ~~7.]~~ The penalties provided in sections 144.010 to 144.525 shall apply to violations of this
48 section.

49 ~~[8.]~~ 7. All revenue received by the district from a sales and use tax imposed pursuant to
50 this section which is designated for a specific purpose shall be deposited into a special trust fund
51 and expended solely for such purpose. Upon the expiration of any sales and use tax adopted
52 pursuant to this section, all funds remaining in the special trust fund shall continue to be used
53 solely for the specific purpose designated in the resolution adopted by the qualified voters. Any
54 funds in such special trust fund which are not needed for current expenditures may be invested
55 by the board of directors pursuant to applicable laws relating to the investment of other district
56 funds.

57 ~~[9.]~~ 8. A district may repeal by resolution any sales and use tax imposed pursuant to this
58 section before the expiration date of such sales and use tax unless the repeal of such sales and
59 use tax will impair the district's ability to repay any liabilities the district has incurred, moneys
60 the district has borrowed or obligation the district has issued to finance any improvements or
61 services rendered for the district.

62 ~~[10.]~~ 9. Notwithstanding the provisions of chapter 115, an election for a district sales and
63 use tax under this section shall be conducted in accordance with the provisions of this section.

64 **10. Except as provided in this section, all provisions of sections 32.085 to 32.087**
65 **shall apply to the tax imposed under this section.**

67.1712. 1. The governing body of any county located within the proposed metropolitan
2 district is hereby authorized to impose by ordinance a one-tenth of one cent sales tax on all retail
3 sales subject to taxation ~~[pursuant to sections 144.010 to 144.525]~~ **under chapter 144** for the
4 purpose of funding the creation, operation and maintenance of a metropolitan park and recreation
5 district.

6 2. In addition to the tax authorized in subsection 1 of this section, the governing body
7 of any county located within the metropolitan district as of January 1, 2012, is authorized to
8 impose by ordinance an incremental sales tax of up to three-sixteenths of one cent on all retail
9 sales subject to taxation under ~~[sections 144.010 to 144.525]~~ **chapter 144** for the purpose of
10 funding the operation and maintenance of the metropolitan park and recreation district. Such
11 incremental sales tax shall not be implemented unless approved by the voters of the county with

12 the largest population within the district and at least one other such county under subsection 2
 13 of section 67.1715.

14 3. The taxes authorized by sections 67.1700 to 67.1769 shall be in addition to all other
 15 sales taxes allowed by law. The governing body of any county within the metropolitan district
 16 enacting such an ordinance shall submit to the voters of such county a proposal to approve its
 17 ordinance imposing or increasing the tax. Such ordinance shall become effective only after the
 18 majority of the voters voting on such ordinance approve such ordinance. The provisions of
 19 sections 32.085 ~~and~~ to 32.087 shall apply to any tax and increase in tax approved pursuant to
 20 this section and sections 67.1715 to 67.1721.

21 **4. After the effective date of any tax imposed under the provisions of this section,**
 22 **the director of revenue shall perform all functions incident to the administration,**
 23 **collection, enforcement, and operation of the tax and the director of revenue shall collect**
 24 **in addition to the sales tax for the state of Missouri the additional tax authorized under the**
 25 **authority of this section. The tax imposed under this section and the tax imposed under**
 26 **the sales tax law of the state of Missouri shall be collected together and reported upon such**
 27 **forms and under such administrative rules and regulations as may be prescribed by the**
 28 **director of revenue.**

67.1775. 1. The governing body of a city not within a county, or any county of this state
 2 may, after voter approval under this section, levy a sales tax not to exceed one-quarter of a cent
 3 in the county or city, or city not within a county, **on all retail sales made in the city or county**
 4 **which are subject to sales tax under chapter 144** for the purpose of providing services
 5 described in section 210.861, including counseling, family support, and temporary residential
 6 services to persons nineteen years of age or less. The question shall be submitted to the qualified
 7 voters of the county or city, or city not within a county, at a county or city or state general,
 8 primary or special election upon the motion of the governing body of the county or city, or city
 9 not within a county or upon the petition of eight percent of the qualified voters of the county or
 10 city, or city not within a county, determined on the basis of the number of votes cast for governor
 11 in such county at the last gubernatorial election held prior to the filing of the petition. The
 12 election officials of the county or city, or city not within a county, shall give legal notice as
 13 provided in chapter 115. The question shall be submitted in substantially the following form:

14 Shall _____ County or City, solely for the purpose of establishing a community
 15 children's services fund for the purpose of providing services to protect the well-being and safety
 16 of children and youth nineteen years of age or less and to strengthen families, be authorized to
 17 levy a sales tax of _____ (not to exceed one-quarter of a cent) in the city or county?

18 YES NO

19

20 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
21 of the question, then the ordinance or order and any amendments thereto shall be in effect [~~on~~
22 ~~the first day of the second calendar quarter after the director receives notification of the local~~
23 ~~sales tax]~~ **as provided by subsection 19 of section 32.087.** If a question receives less than the
24 required majority, then the governing authority of the city or county, or city not within a county,
25 shall have no power to impose the sales tax unless and until the governing authority of the city
26 or county, or city not within a county, has submitted another question to authorize the imposition
27 of the sales tax authorized by this section and such question is approved by the required majority
28 of the qualified voters voting thereon. However, in no event shall a question under this section
29 be submitted to the voters sooner than twelve months from the date of the last question under this
30 section.

31 2. After the effective date of any tax imposed under the provisions of this section, the
32 director of revenue shall perform all functions incident to the administration, collection,
33 enforcement, and operation of the tax and the director of revenue shall collect in addition to the
34 sales tax for the state of Missouri the additional tax authorized under the authority of this section.
35 The tax imposed under this section and the tax imposed under the sales tax law of the state of
36 Missouri shall be collected together and reported upon such forms and under such administrative
37 rules and regulations as may be prescribed by the director of revenue.

38 3. All sales taxes collected by the director of revenue under this section on behalf of any
39 city or county, or city not within a county [~~less one percent for the cost of collection, which shall~~
40 ~~be deposited in the state's general revenue fund after payment of premiums for surety bonds as~~
41 ~~provided in section 32.087,]~~ shall be deposited with the state treasurer in a special fund, which
42 is hereby created, to be known as the "Community Children's Services Fund". [~~The moneys in~~
43 ~~the city or county, or city not within a county, community children's services fund shall not be~~
44 ~~deemed to be state funds and shall not be commingled with any funds of the state.] The director
45 of revenue shall keep accurate records of the amount of money in the fund which was collected
46 in each city or county, or city not within a county, imposing a sales tax under this section, and
47 the records shall be open to the inspection of officers of each city or county, or city not within
48 a county, and the general public. Not later than the tenth day of each month, the director of
49 revenue shall distribute all moneys deposited in the fund during the preceding month by
50 distributing to the city or county treasurer, or the treasurer of a city not within a county, or such
51 other officer as may be designated by a city or county ordinance or order, or ordinance or order
52 of a city not within a county, of each city or county, or city not within a county, imposing the tax
53 authorized by this section, the sum, as certified by the director of revenue, due the city or county.~~

54 4. The director of revenue may authorize the state treasurer to make refunds from the
55 amounts in the fund and credited to any city or county, or city not within a county, for erroneous

56 payments and overpayments made, and may redeem dishonored checks and drafts deposited to
 57 the credit of such counties. Each city or county, or city not within a county, shall notify the
 58 director of revenue [~~at least ninety days~~] prior to the effective date of the expiration of the sales
 59 tax authorized by this section and **the repeal shall be effective as provided by subsection 19**
 60 **of section 32.087**. The director of revenue may order retention in the fund, for a period of one
 61 year, of two percent of the amount collected after receipt of such notice to cover possible refunds
 62 or overpayment of such tax and to redeem dishonored checks and drafts deposited to the credit
 63 of such accounts. After one year has elapsed after the date of expiration of the tax authorized
 64 by this section in such city not within a county or such city or county, the director of revenue
 65 shall remit the balance in the account to the city or county, or city not within a county, and close
 66 the account of that city or county, or city not within a county. The director of revenue shall
 67 notify each city or county, or city not within a county, of each instance of any amount refunded
 68 or any check redeemed from receipts due the city or county.

69 5. Except as modified in this section, all provisions of sections 32.085 [~~and~~] to 32.087
 70 shall apply to the tax imposed under this section.

71 6. All revenues generated by the tax prescribed in this section shall be deposited in the
 72 county treasury or, in a city not within a county, to the board established by law to administer
 73 such fund to the credit of a special community children's services fund to accomplish the
 74 purposes set out herein and in section 210.861, and shall be used for no other purpose. Such
 75 fund shall be administered by a board of directors, established under section 210.861.

67.1959. 1. The board, by a majority vote, may submit to the residents of such district
 2 a tax of not more than one percent on all retail sales, except sales of [~~food as defined in section~~
 3 ~~144.014, sales of~~] new or used motor vehicles, trailers, boats, or other outboard motors [~~, all~~
 4 ~~utilities, telephone and wireless services, and sales of funeral services,~~] made **on or after**
 5 **January 1, 2019**, within the district which are subject to taxation [~~pursuant to the provisions of~~
 6 ~~sections 144.010 to 144.525~~] **under chapter 144**. Upon the written request of the board to the
 7 election authority of the county in which a majority of the area of the district is situated, such
 8 election authority shall submit a proposition to the residents of such district at a municipal or
 9 statewide primary or general election, or at a special election called for that purpose. Such
 10 election authority shall give legal notice as provided in chapter 115.

11 2. Such proposition shall be submitted to the voters of the district in substantially the
 12 following form at such election:

13 Shall the Tourism Community Enhancement District impose a sales tax of _____ (insert
 14 amount) for the purpose of promoting tourism in the district?

15 YES NO

16 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
17 opposed to the question, place an "X" in the box opposite "NO".

18

19 If a majority of the votes cast on the proposal by the qualified voters of the proposed district
20 voting thereon are in favor of the proposal, then the order shall become effective ~~[on the first day~~
21 ~~of the second calendar quarter after the director of revenue receives notice of adoption of the tax]~~
22 **as provided in subsection 19 of section 32.087**. If the proposal receives less than the required
23 majority, then the board shall have no power to impose the sales tax authorized pursuant to this
24 section unless and until the board shall again have submitted another proposal to authorize the
25 board to impose the sales tax authorized by this section and such proposal is approved by the
26 required majority of the qualified voters of the district.

27 **3. Except as modified by this section, all provisions of sections 32.085 to 32.087 shall**
28 **apply to the tax imposed under this section.**

67.2000. 1. This section shall be known as the "Exhibition Center and Recreational
2 Facility District Act".

3 2. An exhibition center and recreational facility district may be created under this section
4 in the following counties:

5 (1) Any county of the first classification with more than seventy-one thousand three
6 hundred but less than seventy-one thousand four hundred inhabitants;

7 (2) Any county of the first classification with more than one hundred ninety-eight
8 thousand but less than one hundred ninety-nine thousand two hundred inhabitants;

9 (3) Any county of the first classification with more than eighty-five thousand nine
10 hundred but less than eighty-six thousand inhabitants;

11 (4) Any county of the second classification with more than fifty-two thousand six
12 hundred but less than fifty-two thousand seven hundred inhabitants;

13 (5) Any county of the first classification with more than one hundred four thousand six
14 hundred but less than one hundred four thousand seven hundred inhabitants;

15 (6) Any county of the third classification without a township form of government and
16 with more than seventeen thousand nine hundred but less than eighteen thousand inhabitants;

17 (7) Any county of the first classification with more than thirty-seven thousand but less
18 than thirty-seven thousand one hundred inhabitants;

19 (8) Any county of the third classification without a township form of government and
20 with more than twenty-three thousand five hundred but less than twenty-three thousand six
21 hundred inhabitants;

22 (9) Any county of the third classification without a township form of government and
23 with more than nineteen thousand three hundred but less than nineteen thousand four hundred
24 inhabitants;

25 (10) Any county of the first classification with more than two hundred forty thousand
26 three hundred but less than two hundred forty thousand four hundred inhabitants;

27 (11) Any county of the third classification with a township form of government and with
28 more than eight thousand nine hundred but fewer than nine thousand inhabitants;

29 (12) Any county of the third classification without a township form of government and
30 with more than eighteen thousand nine hundred but fewer than nineteen thousand inhabitants;

31 (13) Any county of the third classification with a township form of government and with
32 more than eight thousand but fewer than eight thousand one hundred inhabitants;

33 (14) Any county of the third classification with a township form of government and with
34 more than eleven thousand five hundred but fewer than eleven thousand six hundred inhabitants.

35 3. Whenever not less than fifty owners of real property located within any county listed
36 in subsection 2 of this section desire to create an exhibition center and recreational facility
37 district, the property owners shall file a petition with the governing body of each county located
38 within the boundaries of the proposed district requesting the creation of the district. The district
39 boundaries may include all or part of the counties described in this section. The petition shall
40 contain the following information:

41 (1) The name and residence of each petitioner and the location of the real property
42 owned by the petitioner;

43 (2) A specific description of the proposed district boundaries, including a map
44 illustrating the boundaries; and

45 (3) The name of the proposed district.

46 4. Upon the filing of a petition pursuant to this section, the governing body of any county
47 described in this section may, by resolution, approve the creation of a district. Any resolution
48 to establish such a district shall be adopted by the governing body of each county located within
49 the proposed district, and shall contain the following information:

50 (1) A description of the boundaries of the proposed district;

51 (2) The time and place of a hearing to be held to consider establishment of the proposed
52 district;

53 (3) The proposed sales tax rate to be voted on within the proposed district; and

54 (4) The proposed uses for the revenue generated by the new sales tax.

55 5. Whenever a hearing is held as provided by this section, the governing body of each
56 county located within the proposed district shall:

57 (1) Publish notice of the hearing on two separate occasions in at least one newspaper of
 58 general circulation in each county located within the proposed district, with the first publication
 59 to occur not more than thirty days before the hearing, and the second publication to occur not
 60 more than fifteen days or less than ten days before the hearing;

61 (2) Hear all protests and receive evidence for or against the establishment of the
 62 proposed district; and

63 (3) Rule upon all protests, which determinations shall be final.

64 6. Following the hearing, if the governing body of each county located within the
 65 proposed district decides to establish the proposed district, it shall adopt an order to that effect;
 66 if the governing body of any county located within the proposed district decides to not establish
 67 the proposed district, the boundaries of the proposed district shall not include that county. The
 68 order shall contain the following:

69 (1) The description of the boundaries of the district;

70 (2) A statement that an exhibition center and recreational facility district has been
 71 established;

72 (3) The name of the district;

73 (4) The uses for any revenue generated by a sales tax imposed pursuant to this section;
 74 and

75 (5) A declaration that the district is a political subdivision of the state.

76 7. A district established pursuant to this section may, at a general, primary, or special
 77 election, submit to the qualified voters within the district boundaries a sales tax of one-fourth of
 78 one percent, for a period not to exceed twenty-five years, on all retail sales within the district,
 79 which are subject to taxation [~~pursuant to sections 144.010 to 144.525~~] **under chapter 144**, to
 80 fund the acquisition, construction, maintenance, operation, improvement, and promotion of an
 81 exhibition center and recreational facilities. The ballot of submission shall be in substantially
 82 the following form:

83 Shall the _____ (name of district) impose a sales tax of one-fourth of one percent to
 84 fund the acquisition, construction, maintenance, operation, improvement, and promotion of an
 85 exhibition center and recreational facilities, for a period of _____ (insert number of years)?

86 YES NO

87 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
 88 opposed to the question, place an "X" in the box opposite "NO".

89

90 If a majority of the votes cast in the portion of any county that is part of the proposed district
 91 favor the proposal, then the sales tax shall become effective in that portion of the county [~~that~~
 92 ~~is part of the proposed district on the first day of the first calendar quarter immediately following~~

93 ~~the election]~~ **as provided by subsection 19 of section 32.087.** If a majority of the votes cast in
94 the portion of a county that is a part of the proposed district oppose the proposal, then that
95 portion of such county shall not impose the sales tax authorized in this section until after the
96 county governing body has submitted another such sales tax proposal and the proposal is
97 approved by a majority of the qualified voters voting thereon. However, if a sales tax proposal
98 is not approved, the governing body of the county shall not resubmit a proposal to the voters
99 pursuant to this section sooner than twelve months from the date of the last proposal submitted
100 pursuant to this section. If the qualified voters in two or more counties that have contiguous
101 districts approve the sales tax proposal, the districts shall combine to become one district.

102 8. There is hereby created a board of trustees to administer any district created and the
103 expenditure of revenue generated pursuant to this section consisting of four individuals to
104 represent each county approving the district, as provided in this subsection. The governing body
105 of each county located within the district, upon approval of that county's sales tax proposal, shall
106 appoint four members to the board of trustees; at least one shall be an owner of a nonlodging
107 business located within the taxing district, or their designee, at least one shall be an owner of a
108 lodging facility located within the district, or their designee, and all members shall reside in the
109 district except that one nonlodging business owner, or their designee, and one lodging facility
110 owner, or their designee, may reside outside the district. Each trustee shall be at least twenty-five
111 years of age and a resident of this state. Of the initial trustees appointed from each county, two
112 shall hold office for two years, and two shall hold office for four years. Trustees appointed after
113 expiration of the initial terms shall be appointed to a four-year term by the governing body of the
114 county the trustee represents, with the initially appointed trustee to remain in office until a
115 successor is appointed, and shall take office upon being appointed. Each trustee may be
116 reappointed. Vacancies shall be filled in the same manner in which the trustee vacating the
117 office was originally appointed. The trustees shall not receive compensation for their services,
118 but may be reimbursed for their actual and necessary expenses. The board shall elect a chair and
119 other officers necessary for its membership. Trustees may be removed if:

120 (1) By a two-thirds vote, the board moves for the member's removal and submits such
121 motion to the governing body of the county from which the trustee was appointed; and

122 (2) The governing body of the county from which the trustee was appointed, by a
123 majority vote, adopts the motion for removal.

124 9. The board of trustees shall have the following powers, authority, and privileges:

125 (1) To have and use a corporate seal;

126 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

127 (3) To enter into contracts, franchises, and agreements with any person or entity, public
128 or private, affecting the affairs of the district, including contracts with any municipality, district,

129 or state, or the United States, and any of their agencies, political subdivisions, or
130 instrumentalities, for the funding, including without limitation interest rate exchange or swap
131 agreements, planning, development, construction, acquisition, maintenance, or operation of a
132 single exhibition center and recreational facilities or to assist in such activity. "Recreational
133 facilities" means locations explicitly designated for public use where the primary use of the
134 facility involves participation in hobbies or athletic activities;

135 (4) To borrow money and incur indebtedness and evidence the same by certificates,
136 notes, or debentures, to issue bonds and use any one or more lawful funding methods the district
137 may obtain for its purposes at such rates of interest as the district may determine. Any bonds,
138 notes, and other obligations issued or delivered by the district may be secured by mortgage,
139 pledge, or deed of trust of any or all of the property and income of the district. Every issue of
140 such bonds, notes, or other obligations shall be payable out of property and revenues of the
141 district and may be further secured by other property of the district, which may be pledged,
142 assigned, mortgaged, or a security interest granted for such payment, without preference or
143 priority of the first bonds issued, subject to any agreement with the holders of any other bonds
144 pledging any specified property or revenues. Such bonds, notes, or other obligations shall be
145 authorized by resolution of the district board, and shall bear such date or dates, and shall mature
146 at such time or times, but not in excess of thirty years, as the resolution shall specify. Such
147 bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or
148 rates, be in such form, either coupon or registered, be issued as current interest bonds, compound
149 interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
150 manner, be payable in such place or places, and be subject to redemption as such resolution may
151 provide, notwithstanding section 108.170. The bonds, notes, or other obligations may be sold
152 at either public or private sale, at such interest rates, and at such price or prices as the district
153 shall determine;

154 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber real and
155 personal property in furtherance of district purposes;

156 (6) To refund any bonds, notes, or other obligations of the district without an election.
157 The terms and conditions of refunding obligations shall be substantially the same as those of the
158 original issue, and the board shall provide for the payment of interest at not to exceed the legal
159 rate, and the principal of such refunding obligations in the same manner as is provided for the
160 payment of interest and principal of obligations refunded;

161 (7) To have the management, control, and supervision of all the business and affairs of
162 the district, and the construction, installation, operation, and maintenance of district
163 improvements therein; to collect rentals, fees, and other charges in connection with its services
164 or for the use of any of its facilities;

- 165 (8) To hire and retain agents, employees, engineers, and attorneys;
166 (9) To receive and accept by bequest, gift, or donation any kind of property;
167 (10) To adopt and amend bylaws and any other rules and regulations not in conflict with
168 the constitution and laws of this state, necessary for the carrying on of the business, objects, and
169 affairs of the board and of the district; and
170 (11) To have and exercise all rights and powers necessary or incidental to or implied
171 from the specific powers granted by this section.

172 10. There is hereby created the "Exhibition Center and Recreational Facility District
173 Sales Tax Trust Fund", which shall consist of all sales tax revenue collected pursuant to this
174 section. The director of revenue shall be custodian of the trust fund, and moneys in the trust fund
175 shall be used solely for the purposes authorized in this section. Moneys in the trust fund shall
176 be considered nonstate funds pursuant to Section 15, Article IV, Constitution of Missouri. The
177 director of revenue shall invest moneys in the trust fund in the same manner as other funds are
178 invested. Any interest and moneys earned on such investments shall be credited to the trust fund.
179 All sales taxes collected by the director of revenue pursuant to this section on behalf of the
180 district~~[, less one percent for the cost of collection which shall be deposited in the state's general~~
181 ~~revenue fund after payment of premiums for surety bonds as provided in section 32.087,]~~ shall
182 be deposited in the trust fund. The director of revenue shall keep accurate records of the amount
183 of moneys in the trust fund which was collected in the district imposing a sales tax pursuant to
184 this section, and the records shall be open to the inspection of the officers of each district and the
185 general public. Not later than the tenth day of each month, the director of revenue shall
186 distribute all moneys deposited in the trust fund during the preceding month to the district. The
187 director of revenue may authorize refunds from the amounts in the trust fund and credited to the
188 district for erroneous payments and overpayments made, and may redeem dishonored checks and
189 drafts deposited to the credit of the district.

190 11. The sales tax authorized by this section is in addition to all other sales taxes allowed
191 by law. **After the effective date of any tax imposed under the provisions of this section, the**
192 **director of revenue shall perform all functions incident to the administration, collection,**
193 **enforcement, and operation of the tax and collect, in addition to the sales tax for the state**
194 **of Missouri, the additional tax authorized under the authority of this section. The tax**
195 **imposed under this section and the tax imposed under the sales tax law of the state of**
196 **Missouri shall be collected together and reported upon such forms and under such**
197 **administrative rules and regulations as may be prescribed by the director of revenue.**

198 12. Except as modified in this section, all provisions of sections 32.085 ~~and~~ to 32.087
199 apply to the sales tax imposed pursuant to this section.

200 [12-] 13. Any sales tax imposed pursuant to this section shall not extend past the initial
201 term approved by the voters unless an extension of the sales tax is submitted to and approved by
202 the qualified voters in each county in the manner provided in this section. Each extension of the
203 sales tax shall be for a period not to exceed twenty years. The ballot of submission for the
204 extension shall be in substantially the following form:

205 Shall the _____ (name of district) extend the sales tax of one-fourth of one percent for
206 a period of _____ (insert number of years) years to fund the acquisition, construction,
207 maintenance, operation, improvement, and promotion of an exhibition center and recreational
208 facilities?

209 YES NO

210

211 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
212 to the question, place an "X" in the box opposite "NO".

213

214 If a majority of the votes cast favor the extension, then the sales tax shall remain in effect at the
215 rate and for the time period approved by the voters. If a sales tax extension is not approved, the
216 district may submit another sales tax proposal as authorized in this section, but the district shall
217 not submit such a proposal to the voters sooner than twelve months from the date of the last
218 extension submitted.

219 [13-] 14. Once the sales tax authorized by this section is abolished or terminated by any
220 means, all funds remaining in the trust fund shall be used solely for the purposes approved in the
221 ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while
222 the district has any financing or other obligations outstanding; provided that any new financing,
223 debt, or other obligation or any restructuring or refinancing of an existing debt or obligation
224 incurred more than ten years after voter approval of the sales tax provided in this section or more
225 than ten years after any voter-approved extension thereof shall not cause the extension of the
226 sales tax provided in this section or cause the final maturity of any financing or other obligations
227 outstanding to be extended. Any funds in the trust fund which are not needed for current
228 expenditures may be invested by the district in the securities described in subdivisions (1) to (12)
229 of subsection 1 of section 30.270 or repurchase agreements secured by such securities. If the
230 district abolishes the sales tax, the district shall notify the director of revenue of the action [at
231 ~~least ninety days before the effective date of the repeal,~~] and the director of revenue may order
232 retention in the trust fund, for a period of one year, of two percent of the amount collected after
233 receipt of such notice to cover possible refunds or overpayment of the sales tax and to redeem
234 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
235 after the effective date of abolition of the sales tax in the district, the director of revenue shall

236 remit the balance in the account to the district and close the account of the district. The director
 237 of revenue shall notify the district of each instance of any amount refunded or any check
 238 redeemed from receipts due the district.

239 ~~[14.]~~ **15.** In the event that the district is dissolved or terminated by any means, the
 240 governing bodies of the counties in the district shall appoint a person to act as trustee for the
 241 district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall
 242 take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond
 243 with sufficient security, approved by the governing bodies of the counties, to the use of the
 244 dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and
 245 exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining
 246 obligations of the district, shall pay over to the county treasurer of each county in the district and
 247 take receipt for all remaining moneys in amounts based on the ratio the levy of each county bears
 248 to the total levy for the district in the previous three years or since the establishment of the
 249 district, whichever time period is shorter. Upon payment to the county treasurers, the trustee
 250 shall deliver to the clerk of the governing body of any county in the district all books, papers,
 251 records, and deeds belonging to the dissolved district.

67.2030. 1. The governing authority of any city of the fourth classification with more
 2 than one thousand six hundred but less than one thousand seven hundred inhabitants and located
 3 in any county of the first classification with more than seventy-three thousand seven hundred but
 4 less than seventy-three thousand eight hundred inhabitants is hereby authorized to impose, by
 5 ordinance or order, a sales tax in the amount not to exceed one-half of one percent on all retail
 6 sales made in such city which are subject to taxation ~~[pursuant to sections 144.010 to 144.525]~~
 7 **under chapter 144** for the promotion of tourism in such city. The tax authorized by this section
 8 shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or
 9 order imposing a sales tax pursuant to this section shall be effective unless the governing
 10 authority of the city submits to the qualified voters of the city, at any municipal or state general,
 11 primary, or special election, a proposal to authorize the governing authority of the city to impose
 12 a tax.

13 2. The ballot of submission shall be in substantially the following form:

14 Shall the city of _____ (city's name) impose a citywide sales tax of _____ (insert
 15 amount) for the purpose of promoting tourism in the city?

16 YES NO

17

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 19 to the question, place an "X" in the box opposite "NO".

20

21 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
22 of the proposal, then the ordinance or order and any amendments thereto shall be in effect [~~on~~
23 ~~the first day of the first calendar quarter immediately following notification to the director of the~~
24 ~~department of revenue of the election approving the proposal]~~ **as provided by subsection 19 of**
25 **section 32.087.** If a proposal receives less than the required majority, then the governing
26 authority of the city shall have no power to impose the sales tax unless and until the governing
27 authority of the city has submitted another proposal to authorize the imposition of the sales tax
28 authorized by this section and such proposal is approved by the required majority of the qualified
29 voters voting thereon. However, in no event shall a proposal pursuant to this section be
30 submitted to the voters sooner than twelve months from the date of the last proposal pursuant
31 to this section.

32 3. [~~On and after the effective date of any tax authorized in this section, the city may~~
33 ~~adopt one of the two following provisions for the collection and administration of the tax:~~

34 ~~—— (1) The city may adopt rules and regulations for the internal collection of such tax by the~~
35 ~~city officers usually responsible for collection and administration of city taxes; or~~

36 ~~—— (2) The city may enter into an agreement with the director of revenue of the state of~~
37 ~~Missouri for the purpose of collecting the tax authorized in this section. In the event any city~~
38 ~~enters into an agreement with the director of revenue of the state of Missouri for the collection~~
39 ~~of the tax authorized in this section, the director of revenue shall perform all functions incident~~
40 ~~to the administration, collection, enforcement, and operation of such tax, and the director of~~
41 ~~revenue shall collect the additional tax authorized in this section. The tax authorized in this~~
42 ~~section shall be collected and reported upon such forms and under such administrative rules and~~
43 ~~regulations as may be prescribed by the director of revenue, and the director of revenue shall~~
44 ~~retain an amount not to exceed one percent for cost of collection.~~

45 ~~—— 4. If a tax is imposed by a city pursuant to this section, the city may collect a penalty of~~
46 ~~one percent and interest not to exceed two percent per month on unpaid taxes which shall be~~
47 ~~considered delinquent thirty days after the last day of each quarter]~~ **After the effective date of**
48 **any tax imposed under the provisions of this section, the director of revenue shall perform**
49 **all functions incident to the administration, collection, enforcement, and operation of the**
50 **tax and collect, in addition to the sales tax for the state of Missouri, the additional tax**
51 **authorized under the authority of this section. The tax imposed under this section and the**
52 **tax imposed under the sales tax law of the state of Missouri shall be collected together and**
53 **reported upon such forms and under such administrative rules and regulations as may be**
54 **prescribed by the director of revenue.**

55 ~~[5-]~~ 4. (1) The governing authority of any city that has adopted any sales tax pursuant
56 to this section shall, upon filing of a petition calling for the repeal of such sales tax signed by at

57 least ten percent of the qualified voters in the city, submit the question of repeal of the sales tax
 58 to the qualified voters at any primary or general election. The ballot of submission shall be in
 59 substantially the following form:

60 Shall _____ (insert name of city) repeal the sales tax of _____ (insert rate of percent)
 61 percent for tourism purposes now in effect in _____ (insert name of city)?

62 YES NO

63

64 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 65 to the question, place an "X" in the box opposite "NO".

66

67 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 68 effective ~~[on December thirty first of the calendar year in which such repeal was approved]~~ **as**
 69 **provided by subsection 19 of section 32.087. If the city or county abolishes the tax, the city**
 70 **or county shall notify the director of revenue of the action prior to the effective date of the**
 71 **repeal.**

72 (2) Once the tax is repealed as provided in this section, all funds remaining in any trust
 73 fund or account established to receive revenues generated by the tax shall be used solely for the
 74 original stated purpose of the tax. Any funds which are not needed for current expenditures may
 75 be invested by the governing authority in accordance with applicable laws relating to the
 76 investment of other city funds.

77 (3) The governing authority of a city repealing a tax pursuant to this section shall notify
 78 the director of revenue of the action ~~[at least forty five days before]~~ **prior to** the effective date
 79 of the repeal and the director of revenue may order retention in any trust fund created in the state
 80 treasury associated with the tax, for a period of one year, of two percent of the amount collected
 81 after receipt of such notice to cover refunds or overpayment of the tax and to redeem dishonored
 82 checks and drafts deposited to the credit of such accounts. After one year has elapsed after the
 83 effective date of repeal of the tax in the city, the director of revenue shall remit the balance in the
 84 trust fund to the city and close the account of that city. The director of revenue shall notify each
 85 city of each instance of any amount refunded or any check redeemed from receipts due the city.

86 (4) In the event that the repeal of a sales tax pursuant to this section dissolves or
 87 terminates a taxing district, the governing authority of the city shall appoint a person to act as
 88 trustee for the district so dissolved or terminated. Before beginning the discharge of duties, the
 89 trustee shall take and subscribe an oath to faithfully discharge the duties of the office, and shall
 90 give bond with sufficient security, approved by the governing authority of the city, to the use of
 91 the dissolved or terminated district, for the faithful discharge of duties. The trustee shall have
 92 and exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining

93 obligations of the district, shall pay over to the city treasurer or the equivalent official and take
94 receipt for all remaining moneys. Upon payment to the city treasurer, the trustee shall deliver
95 to the clerk of the governing authority of the city all books, papers, records, and deeds belonging
96 to the dissolved district.

97 ~~[6-]~~ 5. Except as modified in this section, all provisions of sections 32.085 ~~[and]~~ to
98 32.087 shall apply to the tax imposed pursuant to this section.

67.2525. 1. Each member of the board of directors shall have the following
2 qualifications:

3 (1) As to those subdistricts in which there are registered voters, a resident registered
4 voter in the subdistrict that he or she represents, or be a property owner or, as to those
5 subdistricts in which there are not registered voters who are residents, a property owner or
6 representative of a property owner in the subdistrict he or she represents;

7 (2) Be at least twenty-one years of age and a registered voter in the district.

8 2. The district shall be subdivided into at least five but not more than fifteen subdistricts,
9 which shall be represented by one representative on the district board of directors. All board
10 members shall have terms of four years, including the initial board of directors. All members
11 shall take office upon being appointed and shall remain in office until a successor is appointed
12 by the mayor or chairman of the municipality in which the district is located, or elected by the
13 property owners in those subdistricts without registered voters.

14 3. For those subdistricts which contain one or more registered voters, the mayor or
15 chairman of the city, town, or village shall, with the consent of the governing body, appoint a
16 registered voter residing in the subdistrict to the board of directors.

17 4. For those subdistricts which contain no registered voters, the property owners who
18 collectively own one or more parcels of real estate comprising more than half of the land situated
19 in each subdistrict shall meet and shall elect a representative to serve upon the board of directors.
20 The clerk of the city, town, or village in which the petition was filed shall, unless waived in
21 writing by all property owners in the subdistrict, give notice by causing publication to be made
22 once a week for two consecutive weeks in a newspaper of general circulation in the county, the
23 last publication of which shall be at least ten days before the day of the meeting required by this
24 section, to call a meeting of the owners of real property within the subdistrict at a day and hour
25 specified in a public place in the city, town, or village in which the petition was filed for the
26 purpose of electing members of the board of directors.

27 5. The property owners, when assembled, shall organize by the election of a temporary
28 chairman and secretary of the meeting who shall conduct the election. An election shall be
29 conducted for each subdistrict, with the eligible property owners voting in that subdistrict. At
30 the election, each acre of real property within the subdistrict shall represent one share, and each

31 owner, including corporations and other entities, may have one vote in person or for every acre
32 of real property owned by such person within the subdistrict. Each voter which is not an
33 individual shall determine how to cast its vote as provided for in its articles of incorporation,
34 articles of organization, articles of partnership, bylaws, or other document which sets forth an
35 appropriate mechanism for the determination of the entity's vote. If a voter has no such
36 mechanism, then its vote shall be cast as determined by a majority of the persons who run the
37 day-to-day affairs of the voter. The results of the meeting shall be certified by the temporary
38 chairman and secretary to the municipal clerk if the district is established by a municipality
39 described in this section, or to the circuit clerk if the district is established by a circuit court.

40 6. Successor boards shall be appointed or elected, depending upon the presence or
41 absence of resident registered voters, by the mayor or chairman of a city, town, or village
42 described in this section, or the property owners as set forth above; provided, however, that
43 elections held by the property owners after the initial board is elected shall be certified to the
44 municipal clerk of the city, town, or village where the district is located and the board of
45 directors of the district.

46 7. Should a vacancy occur on the board of directors, the mayor or chairman of the city,
47 town, or village if there are registered voters within the subdistrict, or a majority of the owners
48 of real property in a subdistrict if there are not registered voters in the subdistrict, shall have the
49 authority to appoint or elect, as set forth in this section, an interim director to complete any
50 unexpired term of a director caused by resignation or disqualification.

51 8. The board shall possess and exercise all of the district's legislative and executive
52 powers, including:

53 (1) The power to fund, promote and provide educational, civic, musical, theatrical,
54 cultural, concerts, lecture series, and related or similar entertainment events or activities, and
55 fund, promote, plan, design, construct, improve, maintain, and operate public improvements,
56 transportation projects, and related facilities within the district;

57 (2) The power to accept and disburse tax or other revenue collected in the district; and

58 (3) The power to receive property by gift or otherwise.

59 9. Within thirty days after the selection of the initial directors, the board shall meet. At
60 its first meeting and annually thereafter the board shall elect a chairman from its members.

61 10. The board shall appoint an executive director, district secretary, treasurer, and such
62 other officers or employees as it deems necessary.

63 11. At the first meeting, the board, by resolution, shall define the first and subsequent
64 fiscal years of the district, and shall adopt a corporate seal.

65 12. A simple majority of the board shall constitute a quorum. If a quorum exists, a
66 majority of those voting shall have the authority to act in the name of the board, and approve any
67 board resolution.

68 13. At the first meeting, the board, by resolution, shall receive the certification of the
69 election regarding the sales tax, and may impose the sales tax in all subdistricts approving the
70 imposing sales tax. In those subdistricts that approve the sales tax, the sales tax shall become
71 effective ~~[on the first day of the first calendar quarter immediately following the action by the~~
72 ~~district board of directors imposing the tax]~~ **as provided by section 32.087.**

73 14. Each director shall devote such time to the duties of the office as the faithful
74 discharge thereof may require and be reimbursed for his or her actual expenditures in the
75 performance of his or her duties on behalf of the district. Directors may be compensated, but
76 such compensation shall not exceed one hundred dollars per month.

77 15. In addition to all other powers granted by sections 67.2500 to 67.2530, the district
78 shall have the following general powers:

79 (1) To sue and be sued in its own name, and to receive service of process, which shall
80 be served upon the district secretary;

81 (2) To fix compensation of its employees and contractors;

82 (3) To enter into contracts, franchises, and agreements with any person or entity, public
83 or private, affecting the affairs of the district, including contracts with any municipality, district,
84 or state, or the United States, and any of their agencies, political subdivisions, or
85 instrumentalities, for the funding, including without limitation, interest rate exchange or swap
86 agreements, planning, development, construction, acquisition, maintenance, or operation of a
87 district facility or to assist in such activity;

88 (4) To acquire, develop, construct, equip, transfer, donate, lease, exchange, mortgage,
89 and encumber real and personal property in furtherance of district purposes;

90 (5) To collect and disburse funds for its activities;

91 (6) To collect taxes and other revenues;

92 (7) To borrow money and incur indebtedness and evidence the same by certificates,
93 notes, bonds, debentures, or refunding of any such obligations for the purpose of paying all or
94 any part of the cost of land, construction, development, or equipping of any facilities or
95 operations of the district;

96 (8) To own or lease real or personal property for use in connection with the exercise of
97 powers pursuant to this subsection;

98 (9) To provide for the election or appointment of officers, including a chairman,
99 treasurer, and secretary. Officers shall not be required to be residents of the district, and one
100 officer may hold more than one office;

- 101 (10) To hire and retain agents, employees, engineers, and attorneys;
- 102 (11) To enter into entertainment contracts binding the district and artists, agencies, or
103 performers, management contracts, contracts relating to the booking of entertainment and the
104 sale of tickets, and all other contracts which relate to the purposes of the district;
- 105 (12) To contract with a local government, a corporation, partnership, or individual
106 regarding funding, promotion, planning, designing, constructing, improving, maintaining, or
107 operating a project or to assist in such activity;
- 108 (13) To contract for transfer to a city, town, or village such district facilities and
109 improvements free of cost or encumbrance on such terms set forth by contract;
- 110 (14) To exercise such other powers necessary or convenient for the district to accomplish
111 its purposes which are not inconsistent with its express powers.
- 112 16. A district may at any time authorize or issue notes, bonds, or other obligations for
113 any of its powers or purposes. Such notes, bonds, or other obligations:
- 114 (1) Shall be in such amounts as deemed necessary by the district, including costs of
115 issuance thereof;
- 116 (2) Shall be payable out of all or any portion of the revenues or other assets of the
117 district;
- 118 (3) May be secured by any property of the district which may be pledged, assigned,
119 mortgaged, or otherwise encumbered for payment;
- 120 (4) Shall be authorized by resolution of the district, and if issued by the district, shall
121 bear such date or dates, and shall mature at such time or times, but not in excess of forty years,
122 as the resolution shall specify;
- 123 (5) Shall be in such denomination, bear interest at such rates, be in such form, be issued
124 as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or
125 zero coupon bonds, be issued in such manner, be payable in such place or places and subject to
126 redemption as such resolution may provide; and
- 127 (6) May be sold at either public or private sale, at such interest rates, and at such price
128 or prices as the district shall determine.
- 129
- 130 The provisions of this subsection are applicable to the district notwithstanding the provisions of
131 section 108.170.

67.2530. 1. Any note, bond, or other indebtedness of the district may be refunded at any
2 time by the district by issuing refunding bonds in such amount as the district may deem
3 necessary. Such bonds shall be subject to and shall have the benefit of the foregoing provisions
4 regarding notes, bonds, and other obligations. Without limiting the generality of the foregoing,
5 refunding bonds may include amounts necessary to finance any premium, unpaid interest, and

6 costs of issuance in connection with the refunding bonds. Any such refunding may be effected
7 whether the bonds to be refunded then shall have matured or thereafter shall mature, either by
8 sale of the refunding bonds and the application of the proceeds thereof to the payment of the
9 obligations being refunded or the exchange of the refunding bonds for the obligations being
10 refunded with the consent of the holders of the obligations being refunded.

11 2. Notes, bonds, or other indebtedness of the district shall be exclusively the
12 responsibility of the district payable solely out of the district funds and property and shall not
13 constitute a debt or liability of the state of Missouri or any agency or political subdivision of the
14 state. Any notes, bonds, or other indebtedness of the district shall state on their face that they
15 are not obligations of the state of Missouri or any agency or political subdivision thereof other
16 than the district.

17 3. Any district may by resolution impose a district sales tax of up to one-half of one
18 percent on all retail sales made in such district that are subject to taxation [~~pursuant to the~~
19 ~~provisions of sections 144.010 to 144.525]~~ **under chapter 144**. Upon voter approval, and
20 receiving the necessary certifications from the governing body of the municipality in which the
21 district is located, or from the circuit court if the district was formed by the circuit court, the
22 board of directors shall have the power to impose a sales tax at its first meeting, or any meeting
23 thereafter. Voter approval of the question of the imposing sales tax shall be in accordance with
24 section 67.2520. [~~The sales tax shall become effective in those subdistricts that approve the sales~~
25 ~~tax on the first day of the first calendar quarter immediately following the passage of a resolution~~
26 ~~by the board of directors imposing the sales tax.~~

27 ~~4. In each district in which a sales tax has been imposed in the manner provided by this~~
28 ~~section, every retailer shall add the tax imposed by the district pursuant to this section to the~~
29 ~~retailer's sale price, and when so added, such tax shall constitute a part of the price, shall be a~~
30 ~~debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner~~
31 ~~as the purchase price.~~

32 ~~5. In order to permit sellers required to collect and report the sales tax authorized by this~~
33 ~~section to collect the amount required to be reported and remitted, but not to change the~~
34 ~~requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid~~
35 ~~fractions of pennies, the district may establish appropriate brackets which shall be used in the~~
36 ~~district imposing a tax pursuant to this section in lieu of those brackets provided in section~~
37 ~~144.285.~~

38 ~~6.]~~ **4.** All revenue received by a district from the sales tax authorized by this section shall
39 be deposited in a special trust fund and shall be used solely for the purposes of the district. Any
40 funds in such special trust fund which are not needed for the district's current expenditures may

41 be invested by the district board of directors in accordance with applicable laws relating to the
42 investment of other district funds.

43 ~~[7-]~~ **5.** The sales tax may be imposed at a rate of up to one-half of one percent on the
44 receipts from the sale at retail of all ~~[tangible personal property or taxable services]~~ **sales** at retail
45 within the district adopting such tax, if such property and services are subject to taxation by the
46 state of Missouri ~~[pursuant to the provisions of sections 144.010 to 144.525]~~ **under chapter 144.**
47 Any district sales tax imposed pursuant to this section shall be imposed at a rate that shall be
48 uniform throughout the subdistricts approving the sales tax.

49 ~~[8. The resolution imposing the sales tax pursuant to this section shall impose upon all~~
50 ~~sellers a tax for the privilege of engaging in the business of selling tangible personal property or~~
51 ~~rendering taxable services at retail to the extent and in the manner provided in sections 144.010~~
52 ~~to 144.525 and the rules and regulations of the director of revenue issued pursuant thereto;~~
53 ~~except that the rate of the tax shall be the rate imposed by the resolution as the sales tax and the~~
54 ~~tax shall be reported and returned to and collected by the district.~~

55 ~~———— 9. (1) On and after the effective date of any sales tax imposed pursuant to this section,~~
56 ~~the district shall perform all functions incident to the administration, collection, enforcement, and~~
57 ~~operation of the tax. The sales tax imposed pursuant to this section shall be collected and~~
58 ~~reported upon such forms and under such administrative rules and regulations as may be~~
59 ~~prescribed by the district.~~

60 ~~———— (2)]~~

61 **6. After the effective date of any tax imposed under the provisions of this section,**
62 **the director of revenue shall perform all functions incident to the administration,**
63 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**
64 **the state of Missouri, the additional tax authorized under the authority of this section. The**
65 **tax imposed under this section and the tax imposed under the sales tax law of the state of**
66 **Missouri shall be collected together and reported upon such forms and under such**
67 **administrative rules and regulations as may be prescribed by the director of revenue.**

68 **7. All [such] sales taxes [collected by the district] shall be deposited by the district in a**
69 **special fund to be expended for the purposes authorized in this section. The district shall keep**
70 **accurate records of the amount of money which was collected pursuant to this section, and the**
71 **records shall be open to the inspection of officers of each district and the general public.**

72 ~~[(3) The district may contract with the municipality that the district is within for the~~
73 ~~municipality to collect any revenue received by the district and, after deducting the cost of such~~
74 ~~collection, but not to exceed one percent of the total amount collected, deposit such revenue in~~
75 ~~a special trust account. Such revenue and interest may be applied by the municipality to~~

76 expenses, costs, or debt service of the district at the direction of the district as set forth in a
77 contract between the municipality and the district.

78 ~~———— 10. (1) All applicable provisions contained in sections 144.010 to 144.525 governing~~
79 ~~the state sales tax, sections 32.085 and 32.087, and section 32.057, the uniform confidentiality~~
80 ~~provision, shall apply to the collection of the tax imposed by this section, except as modified in~~
81 ~~this section.~~

82 ~~———— (2) All exemptions granted to agencies of government, organizations, persons, and to the~~
83 ~~sale of certain articles and items of tangible personal property and taxable services pursuant to~~
84 ~~the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and~~
85 ~~collection of the tax imposed by this section.~~

86 ~~———— (3) The same sales tax permit, exemption certificate, and retail certificate required by~~
87 ~~sections 144.010 to 144.525 for the administration and collection of the state sales tax shall~~
88 ~~satisfy the requirements of this section, and no additional permit or exemption certificate or retail~~
89 ~~certificate shall be required; except that the district may prescribe a form of exemption certificate~~
90 ~~for an exemption from the tax imposed by this section.~~

91 ~~———— (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws~~
92 ~~for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made~~
93 ~~applicable to any taxes collected pursuant to the provisions of this section.~~

94 ~~———— (5) The penalties provided in section 32.057 and sections 144.010 to 144.525 for~~
95 ~~violation of those sections are hereby made applicable to violations of this section.~~

96 ~~———— (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all~~
97 ~~retail sales shall be deemed to be consummated at the place of business of the retailer unless the~~
98 ~~tangible personal property sold is delivered by the retailer or the retailer's agent to an out-of-state~~
99 ~~destination or to a common carrier for delivery to an out-of-state destination. In the event a~~
100 ~~retailer has more than one place of business in this state which participates in the sale, the sale~~
101 ~~shall be deemed to be consummated at the place of business of the retailer where the initial order~~
102 ~~for the tangible personal property is taken, even though the order must be forwarded elsewhere~~
103 ~~for acceptance, approval of credit, shipment, or billing. A sale by a retailer's employee shall be~~
104 ~~deemed to be consummated at the place of business from which the employee works.~~

105 ~~———— (7)]~~ **8.** Subsequent to the initial approval by the voters and implementation of a sales tax
106 in the district, the rate of the sales tax may be increased, but not to exceed a rate of one-half of
107 one percent on retail sales **made in the district which are subject to sales tax under chapter**
108 **144** as provided in this subsection. The election shall be conducted in accordance with section
109 67.2520; provided, however, that the district board of directors may place the question of the
110 increase of the sales tax before the voters of the district by resolution, and the municipal clerk
111 of the city, town, or village which originally conducted the incorporation of the district, or the

112 circuit clerk of the court which originally conducted the incorporation of the district, shall
113 conduct the subsequent election. In subsequent elections, the election judges shall certify the
114 election results to the district board of directors. The ballot of submission shall be in
115 substantially the following form:

116 Shall _____ (name of district) increase the _____ (insert amount) percent district sales
117 tax now in effect to _____ (insert amount) in the _____ (name of district)?

118 YES NO

119

120 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
121 to the question, place an "X" in the box opposite "NO".

122

123 If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon
124 are in favor of the increase, the increase shall become effective [~~December thirty-first of the~~
125 ~~calendar year in which such increase was approved~~] **as provided by subsection 19 of section**
126 **32.087.**

127 ~~[4:]~~ **9.** (1) There shall not be any election as provided for in this section while the
128 district has any financing or other obligations outstanding.

129 (2) The board, when presented with a petition signed by at least one-third of the
130 registered voters in a district that voted in the last gubernatorial election, or signed by at least
131 two-thirds of property owners of the district, calling for an election to dissolve and repeal the tax
132 shall submit the question to the voters using the same procedure by which the imposing tax was
133 voted. The ballot of submission shall be in substantially the following form:

134 Shall _____ (name of district) dissolve and repeal the _____ (insert amount) percent
135 district sales tax now in effect in the _____ (name of district)?

136 YES NO

137

138 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
139 to the question, place an "X" in the box opposite "NO".

140

141 Such subsequent elections for the repeal of the sales tax shall be conducted in accordance with
142 section 67.2520; provided, however, that the district board of directors may place the question
143 of the repeal of the sales tax before the voters of the district, and the municipal clerk of the city,
144 town, or village which originally conducted the incorporation of the district, or the circuit clerk
145 of the court which originally conducted the incorporation of the district, shall conduct the
146 subsequent election. In subsequent elections the election judges shall certify the election results
147 to the district board of directors.

148 (3) If a majority of the votes cast on the proposal by the qualified voters of the district
 149 voting thereon are in favor of repeal, that repeal shall become effective [~~December thirty-first~~
 150 ~~of the calendar year in which such repeal was approved or after the repayment of the district's~~
 151 ~~indebtedness, whichever occurs later]~~ **as provided by subsection 19 of section 32.087. If the**
 152 **district abolishes the tax, the district shall notify the director of revenue of the action prior**
 153 **to the effective date of the repeal.**

154 [~~12.~~] 10. (1) At such time as the board of directors of the district determines that further
 155 operation of the district is not in the best interests of the inhabitants of the district, and that the
 156 district should dissolve, the board shall submit for a vote in an election held throughout the
 157 district the question of whether the district should be abolished. The question shall be submitted
 158 in substantially the following form:

159 Shall the _____ theater, cultural arts, and entertainment district be abolished?
 160 YES NO

161
 162 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 163 to the question, place an "X" in the box opposite "NO".

164 (2) The district board shall not propose the question to abolish the district while there
 165 are outstanding claims or causes of action pending against the district, while the district liabilities
 166 exceed its assets, while indebtedness of the district is outstanding, or while the district is
 167 insolvent, in receivership or under the jurisdiction of the bankruptcy court. Prior to submitting
 168 the question to abolish the district to a vote of the entire district, the state auditor shall audit the
 169 district to determine the financial status of the district, and whether the district may be abolished
 170 pursuant to law. The vote on the abolition of the district shall be conducted by the municipal
 171 clerk of the city, town, or village in which the district is located. The procedure shall be the same
 172 as in section 67.2520, except that the question shall be determined by the qualified voters of the
 173 entire district. No individual subdistrict may be abolished, except at such time as the district is
 174 abolished.

175 (3) While the district still exists, it shall continue to accrue all revenues to which it is
 176 entitled at law.

177 (4) Upon receipt by the board of directors of the district of the certification by the city,
 178 town, or village in which the district is located that the majority of those voting within the entire
 179 district have voted to abolish the district, and if the state auditor has determined that the district's
 180 financial condition is such that it may be abolished pursuant to law, then the board of directors
 181 of the district shall:

182 (a) Sell any remaining district real or personal property it wishes, and then transfer the
 183 proceeds and any other real or personal property owned by the district to the city, town, or village

184 in which the district is located, including revenues due and owing the district, for its further use
 185 and disposition;

186 (b) Terminate the employment of any remaining district employees, and otherwise
 187 conclude its affairs;

188 (c) At a public meeting of the district, declare by a resolution of the board of directors
 189 passed by a majority vote that the district has been abolished effective that date;

190 (d) Cause copies of that resolution under seal to be filed with the secretary of state and
 191 the city, town, or village in which the district is located.

192

193 Upon the completion of the final act specified in this subsection, the legal existence of the
 194 district shall cease.

195 (5) The legal existence of the district shall not cease for a period of two years after voter
 196 approval of the abolition.

197 **11. Except as provided in this section, all provisions of sections 32.085 to 32.087**
 198 **shall apply to the tax imposed under this section.**

94.578. 1. In addition to the sales tax authorized in section 94.577, the governing body
 2 of any home rule city with more than one hundred fifty-one thousand five hundred but less than
 3 one hundred fifty-one thousand six hundred inhabitants is hereby authorized to impose, by order
 4 or ordinance, a sales tax on all retail sales made within the city which are subject to sales tax
 5 under chapter 144. The tax authorized in this section may be imposed at a rate of one-eighth,
 6 one-fourth, three-eighths, or one-half of one percent, but shall not exceed one-half of one
 7 percent, shall not be imposed for longer than three years, and shall be imposed solely for the
 8 purpose of funding the construction, operation, and maintenance of capital improvements in the
 9 city's center city. The governing body may issue bonds for the funding of such capital
 10 improvements, which will be retired by the revenues received from the sales tax authorized by
 11 this section. The order or ordinance shall not become effective unless the governing body of the
 12 city submits to the voters residing within the city at a state or municipal general, primary, or
 13 special election a proposal to authorize the governing body of the city to impose a tax under this
 14 section. The tax authorized in this section shall be in addition to all other sales taxes imposed
 15 by law, and shall be stated separately from all other charges and taxes.

16 2. The ballot submission for the tax authorized in this section shall be in substantially
 17 the following form:

18 Shall _____ (insert the name of the city) impose a sales tax at a rate of _____ (insert
 19 rate of percent) percent for [a] capital improvements purposes in the city's center city for a period
 20 of _____ (insert number of years, not to exceed three) years?

21 YES NO

22 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
23 of the question, then the tax shall become effective ~~[on the first day of the second calendar~~
24 ~~quarter after the director of revenue receives notice of the adoption of the sales tax]~~ **as provided**
25 **by subsection 19 of section 32.087.** If a majority of the votes cast on the question by the
26 qualified voters voting thereon are opposed to the question, then the tax shall not become
27 effective unless and until the question is resubmitted under this section to the qualified voters
28 and such question is approved by a majority of the qualified voters voting on the question. In
29 no case shall a tax be resubmitted to the qualified voters of the city sooner than twelve months
30 from the date of the proposal under this section.

31 3. Any sales tax imposed under this section shall be administered, collected, enforced,
32 and operated as required in ~~[section]~~ **sections 32.085 to 32.087.** All revenue generated by the
33 tax shall be deposited in a special trust fund and shall be used solely for the designated purposes.
34 If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely
35 for the designated purposes. Any funds in the special trust fund which are not needed for current
36 expenditures shall be invested in the same manner as other funds are invested. Any interest and
37 moneys earned on such investments shall be credited to the fund.

38 4. The director of revenue may authorize the state treasurer to make refunds from the
39 amounts in the trust fund and credited to any city for erroneous payments and overpayments
40 made, and may redeem dishonored checks and drafts deposited to the credit of such cities. If any
41 city abolishes the tax, the city shall notify the director of revenue of the action ~~[at least ninety~~
42 ~~days before]~~ **prior to** the effective date of the repeal, and the director of revenue may order
43 retention in the trust fund, for a period of one year, of two percent of the amount collected after
44 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
45 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
46 after the effective date of abolition of the tax in such city, the director of revenue shall remit the
47 balance in the account to the city and close the account of that city. The director of revenue shall
48 notify each city of each instance of any amount refunded.

49 5. The governing body of any city that has adopted the sales tax authorized in this section
50 may submit the question of repeal of the tax to the voters on any date available for elections for
51 the city. The ballot of submission shall be in substantially the following form:

52 Shall _____ (insert the name of the city) repeal the sales tax imposed at a rate of _____
53 (insert rate of percent) percent for capital improvements purposes in the city's center city?

54 YES NO

55

56 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
57 effective ~~[on December thirty-first of the calendar year in which such repeal was approved]~~ **as**

58 **provided by subsection 19 of section 32.087.** If a majority of the votes cast on the question by
59 the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this
60 section shall remain effective until the question is resubmitted under this section to the qualified
61 voters, and the repeal is approved by a majority of the qualified voters voting on the question.
62 **If the city or county abolishes the tax, the city or county shall notify the director of revenue**
63 **of the action prior to the effective date of the repeal.**

64 6. Whenever the governing body of any city that has adopted the sales tax authorized in
65 this section receives a petition, signed by ten percent of the registered voters of the city voting
66 in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this
67 section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If
68 a majority of the votes cast on the question by the qualified voters voting thereon are in favor of
69 the repeal, that repeal shall become effective ~~[on December thirty-first of the calendar year in~~
70 ~~which such repeal was approved]~~ **as provided by subsection 19 of section 32.087.** If a majority
71 of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal,
72 then the tax shall remain effective until the question is resubmitted under this section to the
73 qualified voters and the repeal is approved by a majority of the qualified voters voting on the
74 question.

75 **7. Except as provided in this section, all provisions of sections 32.085 to 32.087**
76 **apply to the sales tax imposed under this section.**

94.605. 1. Any city as defined in section 94.600 may by a majority vote of its governing
2 body impose a sales tax for transportation purposes enumerated in sections 94.600 to 94.655.

3 2. The sales tax may be imposed at a rate not to exceed one-half of one percent on ~~[the~~
4 ~~receipts from the sale at]~~ **all retail** ~~[of all tangible personal property or taxable services at~~
5 ~~retail]~~ **sales** within any city adopting such tax, if such property and services are subject to
6 taxation by the state of Missouri under ~~[the provisions of sections 144.010 to 144.525]~~ **chapter**
7 **144.**

8 3. With respect to any tax increment financing plan originally approved by ordinance of
9 the city council after March 31, 2009, in any home rule city with more than four hundred
10 thousand inhabitants and located in more than one county, any three-eighths of one cent sales tax
11 imposed under sections 94.600 to 94.655 shall not be considered economic activity taxes as such
12 term is defined under sections 99.805 and 99.918, and tax revenues derived from such taxes shall
13 not be subject to allocation under the provisions of subsection 3 of section 99.845 or subsection
14 4 of section 99.957. Any one-eighth of one cent sales tax imposed in such city under sections
15 94.600 to 94.655 for constructing and operating a light-rail transit system shall not be considered
16 economic activity taxes as such term is defined under sections 99.805 and 99.918, and tax

17 revenues derived from such tax shall not be subject to allocation under the provisions of
 18 subsection 3 of section 99.845 or subsection 4 of section 99.957.

19 4. ~~[If the boundaries of a city in which such sales tax has been imposed shall thereafter~~
 20 ~~be changed or altered, the city or county clerk shall forward to the director of revenue by United~~
 21 ~~States registered mail or certified mail a certified copy of the ordinance adding or detaching~~
 22 ~~territory from the city. The ordinance shall reflect the effective date thereof, and shall be~~
 23 ~~accompanied by a map of the city clearly showing the territory added thereto or detached~~
 24 ~~therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 94.600 to 94.655~~
 25 ~~shall be effective in the added territory or abolished in the detached territory on the effective date~~
 26 ~~of the change of the city boundary]~~ **Except as modified by this section, all provisions of**
 27 **sections 32.085 to 32.087 shall apply to the tax imposed under this section.**

94.660. 1. The governing body of any city not within a county and any county of the first
 2 classification having a charter form of government with a population of over nine hundred
 3 thousand inhabitants may propose, by ordinance or order, a transportation sales tax of up to one
 4 percent for submission to the voters of that city or county at an authorized election date selected
 5 by the governing body.

6 2. Any sales tax approved under this section shall be imposed on ~~[the receipts from the~~
 7 ~~sale at]~~ **all retail [of all tangible personal property or taxable services] sales** within the city or
 8 county adopting the tax, if such property and services are subject to taxation by the state of
 9 Missouri under ~~[sections 144.010 to 144.525]~~ **chapter 144.**

10 3. The ballot of submission shall contain, but need not be limited to, the following
 11 language:

12 Shall the county/city of _____ (county's or city's name) impose a county/city-wide sales
 13 tax of _____ percent for the purpose of providing a source of funds for public transportation
 14 purposes?

15 YES NO

16
 17 Except as provided in subsection 4 of this section, if a majority of the votes cast in that county
 18 or city not within a county on the proposal by the qualified voters voting thereon are in favor of
 19 the proposal, then the tax shall go into effect ~~[on the first day of the next calendar quarter~~
 20 ~~beginning after its adoption and notice to the director of revenue, but no sooner than thirty days~~
 21 ~~after such adoption and notice]~~ **as provided by subsection 19 of section 32.087.** If a majority
 22 of the votes cast in that county or city not within a county by the qualified voters voting are
 23 opposed to the proposal, then the additional sales tax shall not be imposed in that county or city
 24 not within a county unless and until the governing body of that county or city not within a county
 25 shall have submitted another proposal to authorize the local option transportation sales tax

26 authorized in this section, and such proposal is approved by a majority of the qualified voters
27 voting on it. In no event shall a proposal pursuant to this section be submitted to the voters
28 sooner than twelve months from the date of the last proposal.

29 4. No tax shall go into effect under this section in any city not within a county or any
30 county of the first classification having a charter form of government with a population over nine
31 hundred thousand inhabitants unless and until both such city and such county approve the tax.

32 5. The provisions of subsection 4 of this section requiring both the city and county to
33 approve a transportation sales tax before a transportation sales tax may go into effect in either
34 jurisdiction shall not apply to any transportation sales tax submitted to and approved by the
35 voters in such city or such county on or after August 28, 2007.

36 6. All sales taxes collected by the director of revenue under this section on behalf of any
37 city or county~~], less one percent for cost of collection which shall be deposited in the state's~~
38 ~~general revenue fund after payment of premiums for surety bonds,~~ shall be deposited with the
39 state treasurer in a special trust fund, which is hereby created, to be known as the "County Public
40 Transit Sales Tax Trust Fund". ~~[The sales taxes shall be collected as provided in section 32.087.~~
41 ~~The moneys in the trust fund shall not be deemed to be state funds and shall not be commingled~~
42 ~~with any funds of the state.]~~ The director of revenue shall keep accurate records of the amount
43 of money in the trust fund which was collected in each city or county approving a sales tax under
44 this section, and the records shall be open to inspection by officers of the city or county and the
45 public. Not later than the tenth day of each month the director of revenue shall distribute all
46 moneys deposited in the trust fund during the preceding month to the city or county which levied
47 the tax, and such funds shall be deposited with the treasurer of each such city or county and all
48 expenditures of funds arising from the county public transit sales tax trust fund shall be by an
49 appropriation act to be enacted by the governing body of each such county or city not within a
50 county.

51 7. The revenues derived from any transportation sales tax under this section shall be used
52 only for the planning, development, acquisition, construction, maintenance and operation of
53 public transit facilities and systems other than highways.

54 8. The director of revenue may authorize the state treasurer to make refunds from the
55 amount in the trust fund and credited to any city or county for erroneous payments and
56 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
57 such cities or counties. If any city or county abolishes the tax, the city or county shall notify the
58 director of revenue of the action ~~[at least ninety days prior to the effective date of the repeal]~~ and
59 the director of revenue may order retention in the trust fund, for a period of one year, of two
60 percent of the amount collected after receipt of such notice to cover possible refunds or
61 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of

62 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
 63 city or county, the director of revenue shall authorize the state treasurer to remit the balance in
 64 the account to the city or county and close the account of that city or county. The director of
 65 revenue shall notify each city or county of each instance of any amount refunded or any check
 66 redeemed from receipts due the city or county.

67 **9. Except as modified by this section, all provisions of sections 32.085 to 32.087 shall**
 68 **apply to the tax imposed under this section.**

94.705. 1. Any city may by a majority vote of its governing body impose a sales tax on
 2 **all retail sales made in the city which are subject to sales tax under chapter 144** for
 3 transportation purposes enumerated in sections 94.700 to 94.755, and issue bonds for
 4 transportation purposes which shall be retired by the revenues received from the sales tax
 5 authorized by this section. The tax authorized by this section shall be in addition to any and all
 6 other sales taxes allowed by law. No ordinance imposing a sales tax pursuant to the provisions
 7 of this section shall become effective unless the council or other governing body submits to the
 8 voters of the city, at a city or state general, primary, or special election, a proposal to authorize
 9 the council or other governing body of the city to impose such a sales tax and, if such tax is to
 10 be used to retire bonds authorized pursuant to this section, to authorize such bonds and their
 11 retirement by such tax; except that no vote shall be required in any city that imposed and
 12 collected such tax under sections 94.600 to 94.655, before January 5, 1984. The ballot of the
 13 submission shall contain, but is not limited to, the following language:

14 (1) If the proposal submitted involves only authorization to impose the tax authorized
 15 by this section, the following language:

16 Shall the city of _____ (city's name) impose a sales tax of _____ (insert amount) for
 17 transportation purposes?

18 YES NO

19 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
 20 opposed to the question, place an "X" in the box opposite "NO";

21 (2) If the proposal submitted involves authorization to issue bonds and repay such bonds
 22 with revenues from the tax authorized by this section, the following language:

23 Shall the city of _____ (city's name) issue bonds in the amount of _____ (insert
 24 amount) for transportation purposes and impose a sales tax of _____ (insert amount) to repay
 25 such bonds?

26 YES NO

27 If you are in favor of the question, place an "X" in the box opposite "YES". If you are
 28 opposed to the question, place an "X" in the box opposite "NO".

30 If a majority of the votes cast on the proposal, provided in subdivision (1) of this subsection, by
31 the qualified voters voting thereon are in favor of the proposal, then the ordinance and any
32 amendments thereto shall be in effect **as provided by subsection 19 of section 32.087**. If the
33 four-sevenths majority of the votes, as required by the Missouri Constitution, Article VI, Section
34 26, cast on the proposal, provided in subdivision (2) of this subsection to issue bonds and impose
35 a sales tax to retire such bonds, by the qualified voters voting thereon are in favor of the
36 proposal, then the ordinance and any amendments thereto shall be in effect **as provided by**
37 **subsection 19 of section 32.087**. If a majority of the votes cast on the proposal, as provided in
38 subdivision (1) of this subsection, by the qualified voters voting thereon are opposed to the
39 proposal, then the council or other governing body of the city shall have no power to impose the
40 tax authorized in subdivision (1) of this subsection unless and until the council or other
41 governing body of the city submits another proposal to authorize the council or other governing
42 body of the city to impose the tax and such proposal is approved by a majority of the qualified
43 voters voting thereon. If more than three-sevenths of the votes cast by the qualified voters voting
44 thereon are opposed to the proposal, as provided in subdivision (2) of this subsection to issue
45 bonds and impose a sales tax to retire such bonds, then the council or other governing body of
46 the city shall have no power to issue any bonds or to impose the tax authorized in subdivision
47 (2) of this subsection unless and until the council or other governing body of the city submits
48 another proposal to authorize the council or other governing body of the city to issue such bonds
49 or impose the tax to retire such bonds and such proposal is approved by four-sevenths of the
50 qualified voters voting thereon.

51 2. No incorporated municipality located wholly or partially within any first class county
52 operating under a charter form of government and having a population of over nine hundred
53 thousand inhabitants shall impose such a sales tax for that part of the city, town or village that
54 is located within such first class county, in the event such a first class county imposes a sales tax
55 under the provisions of sections 94.600 to 94.655.

56 3. The sales tax may be imposed at a rate not to exceed one-half of one percent on the
57 receipts from the sale at retail of all tangible personal property or taxable services at retail within
58 any city adopting such tax, if such property and services are subject to taxation by the state of
59 Missouri under the provisions of ~~[sections 144.010 to 144.525]~~ **chapter 144**.

60 4. ~~[If the boundaries of a city in which such sales tax has been imposed shall thereafter~~
61 ~~be changed or altered, the city clerk shall forward to the director of revenue by United States~~
62 ~~registered mail or certified mail a certified copy of the ordinance adding or detaching territory~~
63 ~~from the city. The ordinance shall reflect the effective date thereof, and shall be accompanied~~
64 ~~by a map of the city clearly showing the territory added thereto or detached therefrom. Upon~~
65 ~~receipt of the ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be effective~~

66 ~~in the added territory or abolished in the detached territory on the effective date of the change~~
 67 ~~of the city boundary.~~

68 ~~———5.]~~ No tax imposed pursuant to this section for the purpose of retiring bonds issued
 69 pursuant to this section may be terminated until all of such bonds have been retired.

70 **5. Except as modified by this section, all provisions of sections 32.085 to 32.087 shall**
 71 **apply to the tax imposed under this section.**

143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable
 2 income of every resident. The tax shall be determined by applying the tax table or the rate
 3 provided in section 143.021, which is based upon the following rates:

4 If the Missouri taxable income is:	The tax is:
5 Not over \$1,000.00	1 ½% of the Missouri taxable income
6 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
7 Over \$2,000 but not over \$3,000	\$35 plus 2 ½% of excess over \$2,000
8 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
9 Over \$4,000 but not over \$5,000	\$90 plus 3 ½% of excess over \$4,000
10 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
11 Over \$6,000 but not over \$7,000	\$165 plus 4 ½% of excess over \$6,000
12 Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
13 Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
14 Over \$9,000	\$315 plus 6% of excess over \$9,000

15
 16 2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of
 17 this section may be reduced over a period of years. Each reduction in the top rate of tax shall be
 18 by one-tenth of a percent and no more than one reduction shall occur in a calendar year. The top
 19 rate of tax shall not be reduced below five and one-half percent. Reductions in the rate of tax
 20 shall take effect on January first of a calendar year and such reduced rates shall continue in effect
 21 until the next reduction occurs.

22 (2) A reduction in the rate of tax **under this subsection** shall only occur if the amount
 23 of net general revenue collected in the previous fiscal year exceeds the highest amount of net
 24 general revenue collected in any of the three fiscal years prior to such fiscal year by at least one
 25 hundred fifty million dollars.

26 (3) Any modification of tax rates under this subsection shall only apply to tax years that
 27 begin on or after a modification takes effect.

28 (4) The director of the department of revenue shall ~~by rule,~~ adjust the tax ~~tables~~ **table**
 29 under subsection 1 of this section to effectuate the provisions of this subsection. ~~[The bracket~~
 30 ~~for income subject to the top rate of tax shall be eliminated once the top rate of tax has been~~
 31 ~~reduced to five and one-half of a percent.]~~

32 **(5) Any modification of tax rates under this subsection, including prior**
 33 **modifications made under this subsection, shall not apply to the tax years beginning on or**
 34 **after January 1, 2019.**

35 **3. (1) For all tax years beginning on after January 1, 2019, the tax imposed on**
 36 **Missouri taxable income over eight thousand dollars shall be two hundred sixty dollars**
 37 **plus five and three-tenths percent of the excess over eight thousand dollars, and no**
 38 **different rate shall apply to Missouri taxable income over nine thousand dollars. This rate**
 39 **shall be adjusted annually as provided in subsection 4 of this section.**

40 **(2) For all tax years beginning on or after January 1, 2019, the following tax table**
 41 **shall be used in lieu of the tax table found in subsection 1 of this section, except that the**
 42 **brackets of Missouri taxable income shall be altered to reflect all inflation adjustments**
 43 **which have taken place under subsection 4 of this section beginning with the 2017 calendar**
 44 **year:**

If the Missouri taxable income is:	The tax is:
45 Not over \$1,000.00	45 1 1/2% of the Missouri taxable income
46 Over \$1,000 but not over \$2,000	46 \$15 plus 2% of excess over \$1,000
47 Over \$2,000 but not over \$3,000	47 \$35 plus 2 1/2% of excess over \$2,000
48 Over \$3,000 but not over \$4,000	48 \$60 plus 3% of excess over \$3,000
49 Over \$4,000 but not over \$5,000	49 \$90 plus 3 1/2% of excess over \$4,000
50 Over \$5,000 but not over \$6,000	50 \$125 plus 4% of excess over \$5,000
51 Over \$6,000 but not over \$7,000	51 \$165 plus 4 1/2% of excess over \$6,000
52 Over \$7,000 but not over \$8,000	52 \$210 plus 5% of excess over \$7,000
53 Over \$8,000	53 \$260 plus 5 3/10% of excess over \$8,000

56 **(3) (a) For all tax years beginning on or after January 1, 2019, the top rate of tax**
57 **under subsection 3 of this section may be reduced by one-tenth of one percent. Such**
58 **reduction in the rate of tax shall take effect on January first of a calendar year.**

59 **(b) The reduction in the top rate of tax under this subdivision shall only occur if**
60 **the amount of tax credits redeemed in a fiscal year is lower than the average amount of tax**
61 **credit redemptions in fiscal years 2015, 2016, and 2017 by at least one hundred fifty million**
62 **dollars.**

63 **(c) The modification of the top rate of tax under this subdivision shall only apply**
64 **to tax years that begin on or after the date the modification takes effect.**

65 **(4) (a) In addition to the rate reduction under subdivision (3) of this subsection, for**
66 **all tax years beginning on or after January 1, 2019, the top rate of tax under subsection 3**
67 **of this section may be reduced by one-tenth of one percent. Such reduction in the rate of**
68 **tax shall take effect on January first of a calendar year.**

69 **(b) The reduction in the top rate of tax under this subdivision shall only occur if**
70 **the amount of tax credits redeemed in a fiscal year is lower than the average amount of tax**
71 **credit redemptions in fiscal years 2015, 2016, and 2017 by at least three hundred million**
72 **dollars.**

73 **(c) The modification of the top rate of tax under this subdivision shall only apply**
74 **to tax years that begin on or after the date the modification takes effect.**

75 **(5) (a) In addition to the rate reductions under subdivisions (3) and (4) of this**
76 **subsection, for all tax years beginning on or after January 1, 2019, the top rate of tax under**
77 **subsection 3 of this section may be reduced by one quarter of one percent. Such reduction**
78 **in the rate of tax shall take effect on January first of a calendar year.**

79 **(b) The reduction in the top rate of tax under this subdivision shall only occur if**
80 **the Supreme Court of the United States renders a decision, a law is passed by the federal**
81 **government, or the constitution of the United States is amended which enables the state of**
82 **Missouri to require out-of-state sellers with no physical presence in the state to collect and**
83 **remit state and local sales taxes.**

84 **(c) The modification of tax rates under this subsection shall only apply to tax years**
85 **that begin on or after the date the modification takes effect.**

86 **(6) The director of the department of revenue shall adjust the tax table under this**
87 **subsection to effectuate the provisions of this subsection.**

88 **[3-] 4. Beginning with the 2017 calendar year, the brackets of Missouri taxable income**
89 **identified in subsection 1 of this section shall be adjusted annually by the percent increase in**
90 **inflation. The director shall publish such brackets annually beginning on or after October 1,**

91 2016. Modifications to the brackets shall take effect on January first of each calendar year and
92 shall apply to tax years beginning on or after the effective date of the new brackets.

93 ~~[4-]~~ 5. As used in this section, the following terms mean:

94 (1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as
95 reported by the Bureau of Labor Statistics, or its successor index;

96 (2) "CPI for the preceding calendar year", the average of the CPI as of the close of the
97 twelve month period ending on August thirty-first of such calendar year;

98 (3) "Percent increase in inflation", the percentage, if any, by which the CPI for the
99 preceding calendar year exceeds the CPI for the year beginning September 1, 2014, and ending
100 August 31, 2015.

143.021. Every resident having a taxable income shall determine his or her tax from the
2 ~~[rates provided in]~~ **tax table published by the director of revenue and based upon the**
3 **provisions of** section 143.011. There shall be no tax on a taxable income of less than one
4 hundred dollars.

143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby
2 imposed upon the Missouri taxable income of corporations in an amount equal to five percent
3 of Missouri taxable income.

4 2. For all tax years beginning on or after September 1, 1993, a tax is hereby imposed
5 upon the Missouri taxable income of corporations in an amount equal to six and one-fourth
6 percent of Missouri taxable income.

7 3. **For all tax years beginning on or after January 1, 2019, a tax is hereby imposed**
8 **upon the Missouri taxable income of corporations in an amount equal to four and**
9 **one-fourth percent of Missouri taxable income.**

10 4. The provisions of this section shall not apply to out-of-state businesses operating
11 under sections 190.270 to 190.285.

143.171. 1. For all tax years beginning on or after January 1, 1994, an individual
2 taxpayer shall be allowed a deduction for his **or her** federal income tax liability under Chapter
3 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being
4 filed, not to exceed five thousand dollars on a single taxpayer's return or ten thousand dollars on
5 a combined return, after reduction for all credits thereon, except the credit for payments of
6 federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed
7 by the Internal Revenue Code by **26 U.S.C. Section 31 [(tax withheld on wages)], 26 U.S.C.**
8 **Section 27 [(tax of foreign country and United States possessions)], and 26 U.S.C. Section 34**
9 **[(tax on certain uses of gasoline, special fuels, and lubricating oils)].**

10 2. **Notwithstanding any other provision of law to the contrary, for all tax years**
11 **beginning on or after January 1, 2019, an individual taxpayer shall be allowed a deduction**

12 equal to a percentage of his or her federal income tax liability under Chapter 1 of the
 13 Internal Revenue Code for the same tax year for which the Missouri return is being filed,
 14 not to exceed five thousand dollars on a single taxpayer's return or ten thousand dollars
 15 on a combined return, after reduction for all credits thereon, except the credit for
 16 payments of federal estimated tax, the credit for the overpayment of any federal tax, and
 17 the credits allowed by the Internal Revenue Code by 26 U.S.C. Section 31, 26 U.S.C.
 18 Section 27, and 26 U.S.C. Section 34. The deduction percentage is determined according
 19 to the following table:

20 If the Missouri adjusted gross income 21 on the return is:	The deduction percentage is:
22 \$25,000 or less	100 percent
23 From \$25,001 to \$50,000	75 percent
24 From \$50,001 to \$100,000	30 percent
25 From \$100,001 to \$150,000	10 percent
26 \$150,001 or more	0 percent

27
 28 **3.** For all tax years beginning on or after September 1, 1993, a corporate taxpayer shall
 29 be allowed a deduction for fifty percent of its federal income tax liability under Chapter 1 of the
 30 Internal Revenue Code for the same taxable year for which the Missouri return is being filed
 31 after reduction for all credits thereon, except the credit for payments of federal estimated tax, the
 32 credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue
 33 Code by 26 U.S.C. Section 31 [~~(tax withheld on wages)~~], 26 U.S.C. Section 27 [~~(tax of foreign~~
 34 ~~country and United States possessions)~~], and 26 U.S.C. Section 34 [~~(tax on certain uses of~~
 35 ~~gasoline, special fuels and lubricating oils)~~].

36 [~~3. If a federal income tax liability for a tax year prior to the applicability of sections~~
 37 ~~143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid~~
 38 ~~or accrued, he may deduct the federal tax in the later year to the extent it would have been~~
 39 ~~deductible if paid or accrued in the prior year.]~~

40 **4.** Notwithstanding any other provision of law to the contrary, for all tax years
 41 beginning on or after January 1, 2019, no deduction for any federal income tax liability
 42 under Chapter 1 of the Internal Revenue Code shall be allowed to any corporate taxpayer.

143.177. 1. This section shall be known and may be cited as the "Missouri Working
 2 Family Tax Credit Act."

3 **2. For purposes of this section, the following terms mean:**

4 **(1) "Department," the department of revenue;**

5 **(2) "Eligible taxpayer", a resident individual with a filing status of single, head of**
6 **household, widowed, or married filing combined who is subject to the tax imposed under**
7 **chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265, and**
8 **who is allowed a federal earned income tax credit under Section 32 of the Internal Revenue**
9 **Code of 1986, as amended;**

10 **(3) "Tax credit," a credit against the tax otherwise due under chapter 143,**
11 **excluding withholding tax imposed under sections 143.191 to 143.265.**

12 **3. For all tax years beginning on or after January 1, 2019, an eligible taxpayer shall**
13 **be allowed a tax credit in the amount equal to twenty percent of the amount such taxpayer**
14 **would receive under the federal earned income tax credit. The tax credit allowed by this**
15 **section shall be claimed by such taxpayer at the time such taxpayer files a return and shall**
16 **be applied against the income tax liability imposed by chapter 143 after reduction for all**
17 **other credits allowed thereon. If the amount of the credit exceeds the tax liability, the**
18 **difference shall not be refunded to the taxpayer and shall not be carried forward to any**
19 **subsequent tax year.**

20 **4. Notwithstanding the provisions of section 32.057 to the contrary, the department**
21 **shall determine whether any taxpayer filing a report or return with the department who**
22 **did not apply for the credit authorized under this section may qualify for the credit and,**
23 **if so determines a taxpayer may qualify for the credit, shall notify such taxpayer of his or**
24 **her potential eligibility. In making a determination of eligibility under this section, the**
25 **department shall use any appropriate and available data including, but not limited to, data**
26 **available from the Internal Revenue Service, the U.S. Department of Treasury, and state**
27 **income tax returns from previous tax years.**

28 **5. The department shall prepare an annual report containing statistical information**
29 **regarding the tax credits issued under this section for the previous tax year, including the**
30 **total amount of revenue expended, the number of credits claimed, and the average value**
31 **of the credits issued to taxpayers whose earned income falls within various income ranges**
32 **determined by the department.**

33 **6. The director of the department may promulgate rules and regulations to**
34 **administer the provisions of this section. Any rule or portion of a rule, as that term is**
35 **defined in section 536.010, that is created under the authority delegated in this section shall**
36 **become effective only if it complies with and is subject to all of the provisions of chapter**
37 **536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and**
38 **if any of the powers vested with the general assembly pursuant to chapter 536 to review,**

39 **to delay the effective date, or to disapprove and annul a rule are subsequently held**
40 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
41 **after August 28, 2018, shall be invalid and void.**

42 **7. Tax credits authorized under this section are not subject to the requirements of**
43 **sections 135.800 to 135.830.**

44 **8. Under section 23.253 of the Missouri sunset act:**

45 **(1) The program authorized under this section shall automatically sunset on**
46 **December thirty-first six years after the effective date of this section unless reauthorized**
47 **by an act of the general assembly;**

48 **(2) If such program is reauthorized, the program authorized under this section**
49 **shall automatically sunset on December thirty-first twelve years after the effective date of**
50 **the reauthorization of this section; and**

51 **(3) This section shall terminate on September first of the calendar year immediately**
52 **following the calendar year in which the program authorized under this section is sunset.**

143.261. **1.** For every remittance to the director of revenue made on or before the date
2 the remittance becomes due, the employer, other than the United States and its agencies, the state
3 of Missouri and political subdivisions thereof, may deduct and retain the following percentages
4 of the total amount of tax withheld and paid in each calendar year:

5 (1) Two percent of five thousand dollars or less;

6 (2) One percent of amount collected in excess of five thousand dollars and up to and
7 including ten thousand dollars;

8 (3) One-half percent of amount collected in excess of ten thousand dollars.

9 **2. Notwithstanding any other provision of law to the contrary, for all tax years**
10 **beginning on or after January 1, 2019, no deduction under subsection 1 shall be allowed.**

143.451. **1.** Missouri taxable income of a corporation shall include all income derived
2 from sources within this state.

3 **2. For all tax years beginning before January 1, 2019,** a corporation described in
4 subdivision (1) of subsection 1 of section 143.441 shall include in its Missouri taxable income
5 all income from sources within this state, including that from the transaction of business in this
6 state and that from the transaction of business partly done in this state and partly done in another
7 state or states. However:

8 (1) Where income results from a transaction partially in this state and partially in another
9 state or states, and income and deductions of the portion in the state cannot be segregated, then
10 such portions of income and deductions shall be allocated in this state and the other state or
11 states as will distribute to this state a portion based upon the portion of the transaction in this
12 state and the portion in such other state or states.

13 (2) The taxpayer may elect to compute the portion of income from all sources in this
14 state in the following manner, or the manner set forth in subdivision (3) of this subsection:

15 (a) The income from all sources shall be determined as provided, excluding therefrom
16 the figures for the operation of any bridge connecting this state with another state.

17 (b) The amount of sales which are transactions wholly in this state shall be added to
18 one-half of the amount of sales which are transactions partly within this state and partly without
19 this state, and the amount thus obtained shall be divided by the total sales or in cases where sales
20 do not express the volume of business, the amount of business transacted wholly in this state
21 shall be added to one-half of the amount of business transacted partly in this state and partly
22 outside this state and the amount thus obtained shall be divided by the total amount of business
23 transacted, and the net income shall be multiplied by the fraction thus obtained, to determine the
24 proportion of income to be used to arrive at the amount of Missouri taxable income. The
25 investment or reinvestment of its own funds, or sale of any such investment or reinvestment,
26 shall not be considered as sales or other business transacted for the determination of said
27 fraction.

28 (c) For the purposes of this subdivision, a transaction involving the sale of tangible
29 property is:

30 a. "Wholly in this state" if both the seller's shipping point and the purchaser's destination
31 point are in this state;

32 b. "Partly within this state and partly without this state" if the seller's shipping point is
33 in this state and the purchaser's destination point is outside this state, or the seller's shipping point
34 is outside this state and the purchaser's destination point is in this state;

35 c. Not "wholly in this state" or not "partly within this state and partly without this state"
36 only if both the seller's shipping point and the purchaser's destination point are outside this state.

37 (d) For purposes of this subdivision:

38 a. The purchaser's destination point shall be determined without regard to the FOB point
39 or other conditions of the sale; and

40 b. The seller's shipping point is determined without regard to the location of the seller's
41 principle office or place of business.

42 (3) The taxpayer may elect to compute the portion of income from all sources in this
43 state in the following manner:

44 (a) The income from all sources shall be determined as provided, excluding therefrom
45 the figures for the operation of any bridge connecting this state with another state;

46 (b) The amount of sales which are transactions in this state shall be divided by the total
47 sales, and the net income shall be multiplied by the fraction thus obtained, to determine the
48 proportion of income to be used to arrive at the amount of Missouri taxable income. The

49 investment or reinvestment of its own funds, or sale of any such investment or reinvestment,
50 shall not be considered as sales or other business transacted for the determination of said
51 fraction;

52 (c) For the purposes of this subdivision, a transaction involving the sale of tangible
53 property is:

54 a. "In this state" if the purchaser's destination point is in this state;

55 b. Not "in this state" if the purchaser's destination point is outside this state;

56 (d) For purposes of this subdivision, the purchaser's destination point shall be determined
57 without regard to the FOB point or other conditions of the sale and shall not be in this state if the
58 purchaser received the tangible personal property from the seller in this state for delivery to the
59 purchaser's location outside this state;

60 (e) For the purposes of this subdivision, a transaction involving the sale other than the
61 sale of tangible property is "in this state" if the taxpayer's market for the sales is in this state. The
62 taxpayer's market for sales is in this state:

63 a. In the case of sale, rental, lease, or license of real property, if and to the extent the
64 property is located in this state;

65 b. In the case of rental, lease, or license of tangible personal property, if and to the extent
66 the property is located in this state;

67 c. In the case of sale of a service, if and to the extent the ultimate beneficiary of the
68 service is located in this state and shall not be in this state if the ultimate beneficiary of the
69 service rendered by the taxpayer or the taxpayer's designee is located outside this state; and

70 d. In the case of intangible property:

71 (i) That is rented, leased, or licensed, if and to the extent the property is used in this state
72 by the rentee, lessee, or licensee, provided that intangible property utilized in marketing a good
73 or service to a consumer is "used in this state" if that good or service is purchased by a consumer
74 who is in this state. Franchise fees or royalties received for the rent, lease, license, or use of a
75 trade name, trademark, service mark, or franchise system or provides a right to conduct business
76 activity in a specific geographic area are "used in this state" to the extent the franchise location
77 is in this state; and

78 (ii) That is sold, if and to the extent the property is used in this state, provided that:

79 i. A contract right, government license, or similar intangible property that authorizes the
80 holder to conduct a business activity in a specific geographic area is "used in this state" if the
81 geographic area includes all or part of this state;

82 ii. Receipts from intangible property sales that are contingent on the productivity, use,
83 or disposition of the intangible property shall be treated as receipts from the rental, lease, or
84 licensing of such intangible property under item (i) of this subparagraph; and

85 iii. All other receipts from a sales of intangible property shall be excluded from the
86 numerator and denominator of the sales factor;

87 (f) If the state or states of assignment under paragraph (e) of this subdivision cannot be
88 determined, the state or states of assignment shall be reasonably approximated;

89 (g) If the state of assignment cannot be determined under paragraph (e) of this
90 subdivision or reasonably approximated under paragraph (f) of this subdivision, such sales shall
91 be excluded from the denominator of the sales factor;

92 (h) The director may prescribe such rules and regulations as necessary or appropriate to
93 carry out the purposes of this section.

94 (4) For purposes of this subsection, the following words shall, unless the context
95 otherwise requires, have the following meaning:

96 (a) "Administration services" include, but are not limited to, clerical, fund or shareholder
97 accounting, participant record keeping, transfer agency, bookkeeping, data processing, custodial,
98 internal auditing, legal and tax services performed for an investment company;

99 (b) "Affiliate", the meaning as set forth in 15 U.S.C. Section 80a-2(a)(3)(C), as may be
100 amended from time to time;

101 (c) "Distribution services" include, but are not limited to, the services of advertising,
102 servicing, marketing, underwriting or selling shares of an investment company, but, in the case
103 of advertising, servicing or marketing shares, only where such service is performed by a person
104 who is, or in the case of a closed end company, was, either engaged in the services of
105 underwriting or selling investment company shares or affiliated with a person that is engaged in
106 the service of underwriting or selling investment company shares. In the case of an open end
107 company, such service of underwriting or selling shares must be performed pursuant to a contract
108 entered into pursuant to 15 U.S.C. Section 80a-15(b), as from time to time amended;

109 (d) "Investment company", any person registered under the federal Investment Company
110 Act of 1940, as amended from time to time, (the act) or a company which would be required to
111 register as an investment company under the act except that such person is exempt to such
112 registration pursuant to Section 80a-3(c)(1) of the act;

113 (e) "Investment funds service corporation" includes any corporation or S corporation
114 doing business in the state which derives more than fifty percent of its gross income in the
115 ordinary course of business from the provision directly or indirectly of management, distribution
116 or administration services to or on behalf of an investment company or from trustees, sponsors
117 and participants of employee benefit plans which have accounts in an investment company. An
118 investment funds service corporation shall include any corporation or S corporation providing
119 management services as an investment advisory firm registered under Section 203 of the
120 Investment Advisors Act of 1940, as amended from time to time, regardless of the percentage

121 of gross revenues consisting of fees from management services provided to or on behalf of an
122 investment company;

123 (f) "Management services" include but are not limited to, the rendering of investment
124 advice directly or indirectly to an investment company making determinations as to when sales
125 and purchases of securities are to be made on behalf of the investment company, or the selling
126 or purchasing of securities constituting assets of an investment company, and related activities,
127 but only where such activity or activities are performed:

128 a. Pursuant to a contract with the investment company entered into pursuant to 15 U.S.C.
129 Section 80a-15(a), as from time to time amended;

130 b. For a person that has entered into such contract with the investment company; or

131 c. For a person that is affiliated with a person that has entered into such contract with an
132 investment company;

133 (g) "Qualifying sales", gross income derived from the provision directly or indirectly of
134 management, distribution or administration services to or on behalf of an investment company
135 or from trustees, sponsors and participants of employee benefit plans which have accounts in an
136 investment company. For purposes of this section, "gross income" is defined as that amount of
137 income earned from qualifying sources without deduction of expenses related to the generation
138 of such income;

139 (h) "Residence", presumptively the fund shareholder's mailing address on the records of
140 the investment company. If, however, the investment company or the investment funds service
141 corporation has actual knowledge that the fund shareholder's primary residence or principal place
142 of business is different than the fund shareholder's mailing address such presumption shall not
143 control. To the extent an investment funds service corporation does not have access to the
144 records of the investment company, the investment funds service corporation may employ
145 reasonable methods to determine the investment company fund shareholder's residence.

146 (5) Notwithstanding other provisions of law to the contrary, qualifying sales of an
147 investment funds service corporation, or S corporation, shall be considered wholly in this state
148 only to the extent that the fund shareholders of the investment companies, to which the
149 investment funds service corporation, or S corporation, provide services, are resided in this
150 state. Wholly in this state qualifying sales of an investment funds service corporation, or S
151 corporation, shall be determined as follows:

152 (a) By multiplying the investment funds service corporation's total dollar amount of
153 qualifying sales from services provided to each investment company by a fraction, the numerator
154 of which shall be the average of the number of shares owned by the investment company's fund
155 shareholders resided in this state at the beginning of and at the end of the investment
156 company's taxable year that ends with or within the investment funds service corporation's

157 taxable year, and the denominator of which shall be the average of the number of shares owned
158 by the investment company's fund shareholders everywhere at the beginning of and at the end
159 of the investment company's taxable year that ends with or within the investment funds service
160 corporation's taxable year;

161 (b) A separate computation shall be made to determine the wholly in this state qualifying
162 sales from each investment company. The qualifying sales for each investment company shall
163 be multiplied by the respective percentage of each fund, as calculated pursuant to paragraph (a)
164 of this subdivision. The product of this equation shall result in the wholly in this state qualifying
165 sales. The qualifying sales for each investment company which are not wholly in this state will
166 be considered wholly without this state;

167 (c) To the extent an investment funds service corporation has sales which are not
168 qualifying sales, those nonqualified sales shall be apportioned to this state based on the
169 methodology utilized by the investment funds service corporation without regard to this
170 subdivision.

171 3. Any corporation described in subdivision (1) of subsection 1 of section 143.441
172 organized in this state or granted a permit to operate in this state for the transportation or care
173 of passengers shall report its gross earnings within the state on intrastate business and shall also
174 report its gross earnings on all interstate business done in this state which report shall be subject
175 to inquiry for the purpose of determining the amount of income to be included in Missouri
176 taxable income. The previous sentence shall not apply to a railroad.

177 4. A corporation described in subdivision (2) of subsection 1 of section 143.441 shall
178 include in its Missouri taxable income all income arising from all sources in this state and all
179 income from each transportation service wholly within this state, from each service where the
180 only lines of such corporation used are those in this state, and such proportion of revenue from
181 each service where the facilities of such corporation in this state and in another state or states are
182 used, as the mileage used over the lines of such corporation in the state shall bear to the total
183 mileage used over the lines of such corporation. The taxpayer may elect to compute the portion
184 of income from all sources within this state in the following manner:

185 (1) The income from all sources shall be determined as provided;

186 (2) The amount of investment of such corporation on December thirty-first of each year
187 in this state in fixed transportation facilities, real estate and improvements, plus the value on
188 December thirty-first of each year of any fixed transportation facilities, real estate and
189 improvements in this state leased from any other railroad shall be divided by the sum of the total
190 amount of investment of such corporation on December thirty-first of each year in fixed
191 transportation facilities, real estate and improvements, plus the value on December thirty-first
192 of each year, of any fixed transportation facilities, real estate and improvements leased from any

193 other railroad. Where any fixed transportation facilities, real estate or improvements are leased
194 by more than one railroad, such portion of the value shall be used by each railroad as the rental
195 paid by each shall bear to the rental paid by all lessees. The income shall be multiplied by the
196 fraction thus obtained to determine the proportion to be used to arrive at the amount of Missouri
197 taxable income.

198 5. A corporation described in subdivision (3) of subsection 1 of section 143.441 shall
199 include in its Missouri taxable income one-half of the net income from the operation of a bridge
200 between this and another state. If any such bridge is owned or operated by a railroad corporation
201 or corporations, or by a corporation owning a railroad corporation using such bridge, then the
202 figures for operation of such bridge may be included in the return of such railroad or railroads;
203 or if such bridge is owned or operated by any other corporation which may now or hereafter be
204 required to file an income tax return, one-half of the income or loss to such corporation from
205 such bridge may be included in such return by adding or subtracting same to or from another net
206 income or loss shown by the return.

207 6. A corporation described in subdivision (4) of subsection 1 of section 143.441 shall
208 include in its Missouri taxable income all income arising from all sources within this state.
209 Income shall include revenue from each telephonic or telegraphic service rendered wholly within
210 this state; from each service rendered for which the only facilities of such corporation used are
211 those in this state; and from each service rendered over the facilities of such corporation in this
212 state and in other state or states, such proportion of such revenue as the mileage involved in this
213 state shall bear to the total mileage involved over the lines of said company in all states. The
214 taxpayer may elect to compute the portion of income from all sources within this state in the
215 following manner:

216 (1) The income from all sources shall be determined as provided;

217 (2) The amount of investment of such corporation on December thirty-first of each year
218 in this state in telephonic or telegraphic facilities, real estate and improvements thereon, shall be
219 divided by the amount of the total investment of such corporation on December thirty-first of
220 each year in telephonic or telegraphic facilities, real estate and improvements. The income of
221 the taxpayer shall be multiplied by fraction thus obtained to determine the proportion to be used
222 to arrive at the amount of Missouri taxable income.

223 7. From the income determined in subsections 2, 3, 4, 5 and 6 of this section to be from
224 all sources within this state shall be deducted such of the deductions for expenses in determining
225 Missouri taxable income as were incurred in this state to produce such income and all losses
226 actually sustained in this state in the business of the corporation.

227 8. If a corporation derives only part of its income from sources within Missouri, its
228 Missouri taxable income shall only reflect the effect of the following listed deductions to the

229 extent applicable to Missouri. The deductions are: (a) its deduction for federal income taxes
230 pursuant to section 143.171, and (b) the effect on Missouri taxable income of the deduction for
231 net operating loss allowed by Section 172 of the Internal Revenue Code. The extent applicable
232 to Missouri shall be determined by multiplying the amount that would otherwise affect Missouri
233 taxable income by the ratio for the year of the Missouri taxable income of the corporation for the
234 year divided by the Missouri taxable income for the year as though the corporation had derived
235 all of its income from sources within Missouri. For the purpose of the preceding sentence,
236 Missouri taxable income shall not reflect the listed deductions.

237 9. Any investment funds service corporation organized as a corporation or S corporation
238 which has any shareholders resided in this state shall be subject to Missouri income tax as
239 provided in this chapter.

240 10. The provisions of this section do not impact any other apportionment election
241 available to a taxpayer under Missouri statutes.

**143.455. 1. Missouri taxable income of a corporation shall include all income
2 derived from sources within this state.**

3 **2. For all tax years beginning on or after January 1, 2019, a corporation described**
4 **in subdivision (1) of subsection 1 of section 143.441 shall determine its income derived from**
5 **sources within this state by allocating and apportioning its net income as provided in this**
6 **section.**

7 **3. As used in this section, unless the context otherwise requires, the following terms**
8 **mean:**

9 **(1) "Apportionable income":**

10 **(a) All income that is apportionable under the Constitution of the United States and**
11 **is not allocated under the laws of this state, including:**

12 **a. Income arising from transactions and activity in the regular course of the**
13 **corporation's trade or business; and**

14 **b. Income arising from tangible and intangible property if the acquisition,**
15 **management, employment, development, or disposition of the property is or was related**
16 **to the operation of the corporation's trade or business; and**

17 **(b) Any income that would be allocable to this state under the Constitution of the**
18 **United States, but that is apportioned rather than allocated pursuant to the laws of this**
19 **state;**

20 **(2) "Commercial domicile", the principal place from which the trade or business**
21 **of the corporation is directed or managed;**

22 **(3) "Financial organization", any bank, trust company, savings bank, industrial**
23 **bank, land bank, safe deposit company, private banker, savings and loan association,**

24 credit union, cooperative bank, small loan company, sales finance company, investment
25 company, or any type of insurance company;

26 (4) "Non-apportionable income", all income other than apportionable income;

27 (5) "Public utility", any business entity:

28 (a) Which owns or operates any plant, equipment, property, franchise, or license
29 for the transmission of communications, transportation of goods or persons, except by
30 pipeline, or the production, transmission, sale, delivery, or furnishing of electricity, water,
31 or steam; and

32 (b) Whose rates of charges for goods or services have been established or approved
33 by a federal, state, or local government or governmental agency;

34 (6) "Receipts", all gross receipts of the corporation that are not allocated under the
35 provisions of this section, and that are received from transactions and activity in the
36 regular course of the corporation's trade or business, except that receipts of a corporation
37 from hedging transactions and from the maturity, redemption, sale, exchange, loan, or
38 other disposition of cash or securities shall be excluded.

39 4. For purposes of allocation and apportionment of income under this section, a
40 corporation is taxable in another state if:

41 (1) In that state it is subject to a net income tax, a franchise tax measured by net
42 income, a franchise tax for the privilege of doing business, or a corporate stock tax; or

43 (2) That state has jurisdiction to subject the corporation to a net income tax
44 regardless of whether, in fact, the state does or does not do so.

45 5. Rents and royalties from real or tangible personal property, capital gains,
46 interest, dividends, or patent or copyright royalties, to the extent that they constitute
47 nonapportionable income, shall be allocated as provided in subsections 6 to 9 of this
48 section.

49 6. (1) Net rents and royalties from real property located in this state are allocable
50 to this state.

51 (2) Net rents and royalties from tangible personal property are allocable to this
52 state:

53 (a) If and to the extent the property is utilized in this state; or

54 (b) In their entirety if the corporation's commercial domicile is in this state and the
55 corporation is not organized under the laws of or taxable in the state in which the property
56 is utilized.

57 (3) The extent of utilization of tangible personal property in a state is determined
58 by multiplying the rents and royalties by a fraction, the numerator of which is the number
59 of days of physical location of the property in the state during the rental or royalty period

60 in the tax year, and the denominator of which is the number of days of physical location
61 of the property everywhere during all rental or royalty periods in the tax year. If the
62 physical location of the property during the rental or royalty period is unknown or
63 unascertainable by the corporation, tangible personal property is utilized in the state in
64 which the property was located at the time the rental or royalty payor obtained possession.

65 7. (1) Capital gains and losses from sales of real property located in this state are
66 allocable to this state.

67 (2) Capital gains and losses from sales of tangible personal property are allocable
68 to this state if:

69 (a) The property had a situs in this state at the time of the sale; or

70 (b) The corporation's commercial domicile is in this state and the corporation is not
71 taxable in the state in which the property had a situs.

72 (3) Capital gains and losses from sales of intangible personal property are allocable
73 to this state if the corporation's commercial domicile is in this state.

74 8. Interest and dividends are allocable to this state if the corporation's commercial
75 domicile is in this state.

76 9. (1) Patent and copyright royalties are allocable to this state:

77 (a) If and to the extent that the patent or copyright is utilized by the payor in this
78 state; or

79 (b) If and to the extent that the patent or copyright is utilized by the payor in a state
80 in which the corporation is not taxable and the corporation's commercial domicile is in this
81 state.

82 (2) A patent is utilized in a state to the extent that it is employed in production,
83 fabrication, manufacturing, or other processing in the state or to the extent that a patented
84 product is produced in the state. If the basis of receipts from patent royalties does not
85 permit allocation to states or if the accounting procedures do not reflect states of
86 utilization, the patent is utilized in the state in which the corporation's commercial domicile
87 is located.

88 (3) A copyright is utilized in a state to the extent that printing or other publication
89 originates in the state. If the basis of receipts from copyright royalties does not permit
90 allocation to states or if the accounting procedures do not reflect states of utilization, the
91 copyright is utilized in the state in which the corporation's commercial domicile is located.

92 10. All apportionable income shall be apportioned to this state by multiplying the
93 net income by a fraction, the numerator of which is the total receipts of the corporation in
94 this state during the tax period, and the denominator of which is the total receipts of the
95 corporation everywhere during the tax period.

96 **11. Receipts from the sale of tangible personal property are in this state if:**

97 **(1) The property is delivered or shipped to a purchaser, other than the United**
98 **States government, within this state regardless of the f.o.b. point or other conditions of the**
99 **sale; or**

100 **(2) The property is shipped from an office, store, warehouse, factory, or other place**
101 **of storage in this state and:**

102 **(a) The purchaser is the United States government; or**

103 **(b) The corporation is not taxable in the state of the purchaser.**

104 **12. (1) Receipts, other than receipts described in subsection 11 of this section, are**
105 **in this state if the corporation's market for the sales is in this state. The corporation's**
106 **market for sales is in this state:**

107 **(a) In the case of sale, rental, lease, or license of real property, if and to the extent**
108 **the property is located in this state;**

109 **(b) In the case of rental, lease, or license of tangible personal property, if and to the**
110 **extent the property is located in this state;**

111 **(c) In the case of sale of a service, if and to the extent the ultimate beneficiary of the**
112 **service is located in this state and shall not be in this state if the ultimate beneficiary of the**
113 **service rendered by the corporation or the corporation's designee is located outside this**
114 **state; and**

115 **(d) In the case of intangible property:**

116 **a. That is rented, leased, or licensed, if and to the extent the property is used in this**
117 **state, provided that intangible property utilized in marketing a good or service to a**
118 **consumer is "used in this state" if that good or service is purchased by a consumer who is**
119 **in this state. Franchise fees or royalties received for the rent, lease, license, or use of a**
120 **trade name, trademark, service mark, or franchise system or provides a right to conduct**
121 **business activity in a specific geographic area "are used in this state" to the extent the**
122 **franchise is located in this state; and**

123 **b. That is sold, if and to the extent the property is used in this state, provided that:**

124 **(i) A contract right, government license, or similar intangible property that**
125 **authorizes the holder to conduct a business activity in a specific geographic area is "used**
126 **in this state" if the geographic area includes all or part of this state;**

127 **(ii) Receipts from intangible property sales that are contingent on the productivity,**
128 **use, or disposition of the intangible property shall be treated as receipts from the rental,**
129 **lease, or licensing of such intangible property under subparagraph a. of this paragraph;**
130 **and**

131 (iii) All other receipts from a sale of intangible property shall be excluded from the
132 numerator and denominator of the receipts factor.

133 (2) If the state or states of assignment under subdivision (1) of this subsection
134 cannot be determined, the state or states of assignment shall be reasonably approximated.

135 (3) If the corporation is not taxable in a state to which a receipt is assigned under
136 subdivision (1) or (2) of this subsection, or if the state of assignment cannot be determined
137 under subsection (1) of this subsection or reasonably approximated under subsection (2)
138 of this subsection, such receipt shall be excluded from the numerator and the denominator
139 of the receipts factor.

140 (4) The director may prescribe regulations as necessary or appropriate to carry out
141 the purposes of this section.

142 13. (1) In the case of certain industries where unusual factual situations produce
143 inequitable results under the apportionment and allocation provisions of this section, the
144 director shall promulgate rules for determining the apportionment and allocation factors
145 for each such industry, but such rules shall be applied uniformly.

146 (2) If the allocation and apportionment provisions of this section do not fairly
147 represent the extent of the corporation's income applicable to this state, the corporation
148 may petition for or the director may require:

149 (a) Separate accounting;

150 (b) The inclusion of one or more additional factors which will fairly represent the
151 corporation's income applicable to this state; or

152 (c) The employment of any other method to effectuate an equitable allocation and
153 apportionment of the corporation's income.

154 (3) The party petitioning for, or the director requiring, the use of any method to
155 effectuate an equitable allocation and apportionment of the corporation's income under
156 subdivision (2) of this subsection shall prove by a preponderance of evidence:

157 (a) That the allocation and apportionment provisions of this section do not fairly
158 represent the extent of the corporation's income applicable to this state; and

159 (b) That the alternative to such provisions is reasonable.

160

161 The same burden of proof shall apply whether the corporation is petitioning for, or the
162 director is requiring, the use of any reasonable method to effectuate an equitable allocation
163 and apportionment of the corporation's income. Notwithstanding the previous sentence,
164 if the director can show that in any two of the prior five tax years, the corporation had
165 used an allocation or apportionment method at variance with its allocation or
166 apportionment method or methods used for such other tax years, then the director shall

167 not bear the burden of proof in imposing a different method under subdivision (2) of this
168 subsection.

169 (4) If the director requires any method to effectuate an equitable allocation and
170 apportionment of the corporation's income, the director cannot impose any civil or
171 criminal penalty with reference to the tax due that is attributable to the corporation's
172 reasonable reliance solely on the allocation and apportionment provisions of this section.

173 (5) A corporation that has received written permission from the director to use a
174 reasonable method to effectuate an equitable allocation and apportionment of the
175 corporation's income shall not have that permission revoked with respect to transactions
176 and activities that have already occurred unless there has been a material change in, or a
177 material misrepresentation of, the facts provided by the corporation upon which the
178 director reasonably relied.

179 14. Any corporation described in subdivision (1) of subsection 1 of section 143.441
180 organized in this state or granted a permit to operate in this state for the transportation
181 or care of passengers shall report its gross earnings within the state on intrastate business
182 and shall also report its gross earnings on all interstate business done in this state. Such
183 report shall be subject to inquiry for the purpose of determining the amount of income to
184 be included in Missouri taxable income. This subsection shall not apply to a railroad.

185 15. A corporation described in subdivision (2) of subsection 1 of section 143.441
186 shall include in its Missouri taxable income all income arising from all sources in this state
187 and all income from each transportation service wholly within this state, from each service
188 where the only rails and lines of such corporation used are those in this state, and such
189 proportion of revenue from each service where the facilities of such corporation in this
190 state and in another state or states are used, as the mileage used over the rails and lines of
191 such corporation in the state shall bear to the total mileage used over the rails and lines of
192 such corporation. The corporation may elect to compute the portion of income from all
193 sources within this state in the following manner:

194 (1) The income from all sources shall be determined as provided;

195 (2) The amount of investment of such corporation on December thirty-first of each
196 year in this state in fixed transportation facilities, real estate, and improvements, plus the
197 value on December thirty-first of each year of any fixed transportation facilities, real estate
198 and improvements in this state leased from any other railroad shall be divided by the sum
199 of the total amount of investment of such corporation on December thirty-first of each year
200 in fixed transportation facilities, real estate, and improvements, plus the value on
201 December thirty-first of each year of any fixed transportation facilities, real estate and
202 improvements leased from any other railroad. If any fixed transportation facilities, real

203 estate, or improvements are leased by more than one railroad, such portion of the value
204 shall be used by each railroad as the rental paid by each shall bear to the rental paid by all
205 lessees. The income shall be multiplied by the fraction thus obtained to determine the
206 proportion to be used to arrive at the amount of Missouri taxable income.

207 **16. A corporation described in subdivision (3) of subsection 1 of section 143.441**
208 **shall include in its Missouri taxable income one-half of the net income from the operation**
209 **of a bridge between this and another state. If any such bridge is owned or operated by a**
210 **railroad corporation or corporations, or by a corporation owning a railroad corporation**
211 **using such bridge, then the figures for operation of such bridge may be included in the**
212 **return of such railroad or railroads; or if such bridge is owned or operated by any other**
213 **corporation which may now or hereafter be required to file an income tax return, one-half**
214 **of the income or loss to such corporation from such bridge may be included in such return**
215 **by adding or subtracting the same to or from another net income or loss shown by the**
216 **return.**

217 **17. A corporation described in subdivision (4) of subsection 1 of section 143.441**
218 **shall include in its Missouri taxable income all income arising from all sources within this**
219 **state. Income shall include revenue from each telephonic or telegraphic service rendered**
220 **wholly within this state; from each service rendered for which the only facilities of such**
221 **corporation used are those in this state; and from each service rendered over the facilities**
222 **of such corporation in this state and in other state or states, such proportion of such**
223 **revenue as the mileage involved in this state shall bear to the total mileage involved over**
224 **the lines of said company in all states. The corporation may elect to compute the portion**
225 **of income from all sources within this state in the following manner:**

226 **(1) The income from all sources shall be determined as provided;**

227 **(2) The amount of investment of such corporation on December thirty-first of each**
228 **year in this state in telephonic or telegraphic facilities, real estate, and improvements**
229 **thereon shall be divided by the amount of the total investment of such corporation on**
230 **December thirty-first of each year in telephonic or telegraphic facilities, real estate, and**
231 **improvements. The income of the corporation shall be multiplied by the fraction thus**
232 **obtained to determine the proportion to be used to arrive at the amount of Missouri**
233 **taxable income.**

234 **18. From the income determined in this section to be from all sources within this**
235 **state shall be deducted such of the deductions for expenses in determining Missouri taxable**
236 **income as were incurred in this state to produce such income and all losses actually**
237 **sustained in this state in the business of the corporation.**

238 **19. If a corporation derives only part of its income from sources within Missouri,**
239 **its Missouri taxable income shall only reflect the effect on Missouri taxable income of the**
240 **deduction for net operating loss allowed by Section 172 of the Internal Revenue Code. The**
241 **extent applicable to Missouri shall be determined by multiplying the amount that would**
242 **otherwise affect Missouri taxable income by the ratio for the year of the Missouri taxable**
243 **income of the corporation for the year divided by the Missouri taxable income for the year**
244 **as though the corporation had derived all of its income from sources within Missouri. For**
245 **the purpose of the preceding sentence, Missouri taxable income shall not reflect the**
246 **deduction.**

247 **20. Any investment funds service corporation organized as a corporation or S**
248 **corporation which has any shareholders resided in this state shall be subject to**
249 **Missouri income tax as provided in this chapter.**

143.461. 1. A corporation shall elect to determine income applicable to this state by
2 multiplying the total income from all sources by the fraction determined in the manner in section
3 ~~[143.451]~~ **143.455**; first, by filing written notice with the director of revenue on or before the due
4 date of the return (including extensions of time) of the taxpayer's election, or, second, by failing
5 to keep its books and records in such manner as to show the income applicable to this state,
6 including gross income and deductions applicable thereto.

7 2. If the corporation shall keep its books and records so as to show **the income**
8 **applicable to this state** by any other method of allocation between this state and other states
9 ~~[involved of income from transactions partially within and partially without this state]~~, including
10 gross income and deductions applicable thereto, and such method shows the income applicable
11 to this state, including gross income and deductions applicable thereto, then it may, on or before
12 sixty days before the end of any taxable year, petition the director of revenue, in writing, to be
13 permitted in its return required to be filed to apportion to this state according to the method
14 shown by such books or records. If the director of revenue finds that such method does show
15 the income applicable to this state including gross income and the deductions applicable thereto,
16 he **or she** shall notify the corporation, at least thirty days prior to the last day on which such
17 corporation's return for that taxable year is to be filed, that it may use that method **for the**
18 **shorter of five years or** as long as such method shows the income applicable to this state,
19 including gross income and deductions applicable thereto.

20 3. The corporation shall cease using such method **after the shorter of five years or**
21 whenever the director of revenue finds and notifies such corporation on or before ninety days
22 before the end of the taxable year, that such method does not so show. Upon and after such
23 **expiration or** revocation the corporation shall be permitted to petition to use **the same or**

24 another method of allocation that will show such income including gross income and deductions
25 applicable thereto as though no petition had ever been filed.

26 4. Failure, after a method has **expired or** been revoked by the director of revenue, to
27 submit a method which the director of revenue finds will show such income applicable to this
28 state including gross income and deductions applicable thereto, on or before sixty days before
29 the end of any taxable year, or failure to make a return on the basis, which has been approved by
30 the director of revenue on petition of the corporation and which stands unrevoked **or unexpired**,
31 shall constitute an election to accept the determination of income applicable to this state by
32 multiplying the total income from all sources by the fraction determined in the manner set forth
33 in section 143.451 **or, for a tax year beginning on or after January 1, 2019, in the manner**
34 **set forth in section 143.455.**

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue
2 Code, shall not be subject to the taxes imposed by section 143.071, or other sections imposing
3 income tax on corporations.

4 2. A shareholder of an S corporation shall determine such shareholder's S corporation
5 modification and pro rata share, including its character, by applying the following:

6 (1) Any modification described in sections 143.121 and 143.141 which relates to an item
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the
8 shareholder's pro rata share, for federal income tax purposes, of the item to which the
9 modification relates. Where a shareholder's pro rata share of any such item is not required to be
10 taken into account separately for federal income tax purposes, the shareholder's pro rata share
11 of such item shall be determined in accordance with his pro rata share, for federal income tax
12 purposes, of S corporation taxable income or loss generally;

13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same
14 character for a shareholder pursuant to sections 143.005 to 143.998 as it has for federal income
15 tax purposes. Where an item is not characterized for federal income tax purposes, it shall have
16 the same character for a shareholder as if realized directly from the source from which realized
17 by the S corporation or incurred in the same manner as incurred by the S corporation.

18 3. A nonresident shareholder of an S corporation shall determine such shareholder's
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification
20 by applying the provisions of this subsection. Items shall be determined to be from sources
21 within this state pursuant to regulations of the director of revenue in a manner consistent with
22 the division of income provisions of section 143.451, section 143.461, or section 32.200
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident
24 shareholder of any S corporation, there shall be included only that part derived from or connected
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,

26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is
27 determined pursuant to regulations prescribed by the director of revenue in accordance with the
28 general rules in section 143.181. Any modification described in subsections 2 and 3 of section
29 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or
30 deduction shall be made in accordance with the shareholder's pro rata share, for federal income
31 tax purposes, of the item to which the modification relates, but limited to the portion of such item
32 derived from or connected with sources in this state.

33 **4. Notwithstanding subsection 3 of this section to the contrary, for all tax years**
34 **beginning on or after January 1, 2019, the items referred to in that subsection shall be**
35 **determined to be from sources within this state pursuant to regulations of the director of**
36 **revenue in a manner consistent with the division of income provisions of section 143.455**
37 **and section 143.461.**

38 **5.** The director of revenue shall permit S corporations to file composite returns and to
39 make composite payments of tax on behalf of its nonresident shareholders not otherwise required
40 to file a return. If the nonresident shareholder's filing requirements result solely from one or
41 more interests in any other partnerships or subchapter S corporations, that nonresident
42 shareholder may be included in the composite return.

43 ~~[5-]~~ **6.** If an S corporation pays or credits amounts to any of its nonresident individual
44 shareholders as dividends or as their share of the S corporation's undistributed taxable income
45 for the taxable year, the S corporation shall either timely file with the department of revenue an
46 agreement as provided in subsection 6 of this section or withhold Missouri income tax as
47 provided in subsection 7 of this section. An S corporation that timely files an agreement as
48 provided in subsection 6 of this section with respect to a nonresident shareholder for a taxable
49 year shall be considered to have timely filed such an agreement for each subsequent taxable year.
50 An S corporation that does not timely file such an agreement for a taxable year shall not be
51 precluded from timely filing such an agreement for subsequent taxable years. An S corporation
52 is not required to deduct and withhold Missouri income tax for a nonresident shareholder if:

53 (1) The nonresident shareholder not otherwise required to file a return agrees to have the
54 Missouri income tax due paid as part of the S corporation's composite return;

55 (2) The nonresident shareholder not otherwise required to file a return had Missouri
56 assignable federal adjusted gross income from the S corporation of less than twelve hundred
57 dollars;

58 (3) The S corporation is liquidated or terminated;

59 (4) Income was generated by a transaction related to termination or liquidation; or

60 (5) No cash or other property was distributed in the current and prior taxable year.

61 ~~[6-]~~ 7. The agreement referred to in subdivision (1) of subsection ~~[5]~~ 6 of this section is
62 an agreement of a nonresident shareholder of the S corporation to:

63 (1) File a return in accordance with the provisions of section 143.481 and to make timely
64 payment of all taxes imposed on the shareholder by this state with respect to income of the S
65 corporation; and

66 (2) Be subject to personal jurisdiction in this state for purposes of the collection of
67 income taxes, together with related interest and penalties, imposed on the shareholder by this
68 state with respect to the income of the S corporation.

69

70 The agreement will be considered timely filed for a taxable year, and for all subsequent taxable
71 years, if it is filed at or before the time the annual return for such taxable year is required to be
72 filed pursuant to section 143.511.

73 ~~[7-]~~ 8. The amount of Missouri income tax to be withheld is determined by multiplying
74 the amount of dividends or undistributed income allocable to Missouri that is paid or credited
75 to a nonresident shareholder during the taxable year by the highest rate used to determine a
76 Missouri income tax liability for an individual, except that the amount of the tax withheld may
77 be determined based on withholding tables provided by the director of revenue if the shareholder
78 submits a Missouri withholding allowance certificate.

79 ~~[8-]~~ 9. An S corporation shall be entitled to recover for a shareholder on whose behalf
80 a tax payment was made pursuant to this section, if such shareholder has no tax liability.

81 ~~[9-]~~ 10. With respect to S corporations that are banks or bank holding companies, a pro
82 rata share of the tax credit for the tax payable pursuant to chapter 148 shall be allowed against
83 each S corporation shareholders' state income tax as follows, provided the bank otherwise
84 complies with section 148.112:

85 (1) The credit allowed by this subsection shall be equal to the bank tax calculated
86 pursuant to chapter 148 based on bank income in 1999 and after, on a bank that makes an
87 election pursuant to 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying
88 shareholder according to stock ownership, determined by multiplying a fraction, where the
89 numerator is the shareholder's stock, and the denominator is the total stock issued by such bank
90 or bank holding company;

91 (2) The tax credit authorized in this subsection shall be permitted only to the
92 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
93 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
94 stock is held by the shareholder during the taxable period. The credit created by this section on
95 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
96 returns. A bank holding company is not allowed this credit, except that, such credit shall flow

97 through to such bank holding company's qualified shareholders, and be allocated to such
98 shareholders under the same conditions; and

99 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
100 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
101 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
102 taxable income.

103 ~~[10-]~~ **11.** With respect to S corporations that are associations, a pro rata share of the tax
104 credit for the tax payable under chapter 148 shall be allowed against each S corporation
105 shareholders' state income tax as follows, provided the association otherwise complies with
106 section 148.655:

107 (1) The credit allowed by this subsection shall be equal to the savings and loan
108 association tax calculated under chapter 148 based on the computations provided in section
109 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit
110 shall be allocated to the qualifying shareholder according to stock ownership, determined by
111 multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is
112 the total stock issued by the association;

113 (2) The tax credit authorized in this subsection shall be permitted only to the
114 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
115 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
116 stock is held by the shareholder during the taxable period. The credit created by this section on
117 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
118 returns. A savings and loan association holding company is not allowed this credit, except that,
119 such credit shall flow through to such savings and loan association holding company's qualified
120 shareholders, and be allocated to such shareholders under the same conditions; and

121 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
122 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
123 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
124 taxable income.

125 ~~[11-]~~ **12.** With respect to S corporations that are credit institutions, a pro rata share of the
126 tax credit for the tax payable under chapter 148 shall be allowed against each S corporation
127 shareholders' state income tax as follows, provided the credit institution otherwise complies with
128 section 148.657:

129 (1) The credit allowed by this subsection shall be equal to the credit institution tax
130 calculated under chapter 148 based on the computations provided in section 148.150 on a credit
131 institution that makes an election under 26 U.S.C. Section 1362, and such credit shall be
132 allocated to the qualifying shareholder according to stock ownership, determined by multiplying

133 a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock
134 issued by such credit institution;

135 (2) The tax credit authorized in this subsection shall be permitted only to the
136 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
137 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
138 stock is held by the shareholder during the taxable period. The credit created by this section on
139 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
140 returns. A credit institution holding company is not allowed this credit, except that, such credit
141 shall flow through to such credit institution holding company's qualified shareholders, and be
142 allocated to such shareholders under the same conditions; and

143 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
144 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
145 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
146 taxable income.

144.010. 1. The following words, terms, and phrases when used in [~~sections 144.010~~
2 ~~to 144.525~~] **this chapter shall** have the meanings ascribed to them in this section, except when
3 the context indicates a different meaning:

4 (1) "Admission" includes seats and tables, reserved or otherwise, and other similar
5 accommodations and charges made therefor and amount paid for admission, exclusive of any
6 admission tax imposed by the federal government or by sections 144.010 to 144.525;

7 (2) **"Advertising and promotional direct mail", printed material that meets the**
8 **definition of direct mail, the primary purpose of which is to attract public attention to a**
9 **product, person, business, or organization, or to attempt to sell, popularize, or secure**
10 **financial support for a product, person, business, or organization. As used in this**
11 **subdivision, the word "product" means tangible personal property, a product transferred**
12 **electronically, or a service;**

13 (3) **"Agreement", the streamlined sales and use tax agreement, as amended from**
14 **time to time;**

15 (4) **"Air-to-ground radiotelephone service", a radio service, as that term is defined**
16 **in 47 CFR 22.99, in which common carriers are authorized to offer and provide radio**
17 **telecommunications service for hire to subscribers in aircraft;**

18 (5) **"Alcoholic beverages", beverages that are suitable for human consumption and**
19 **contain one-half of one percent or more of alcohol by volume;**

20 (6) **"Ancillary services", services that are associated with or incidental to the**
21 **provisions of telecommunications services including, but not limited to, detailed**
22 **telecommunications billing, directory assistance, vertical service, and voice mail services.**

23 Ancillary services shall not include specified digital products, digital audio-visual works,
24 digital audio works, or digital books;

25 (7) "Appliance", clothes washers and dryers, water heaters, trash compactors,
26 dishwashers, conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators,
27 and freezers;

28 (8) "Bottled water", water that is placed in a safety sealed container or package for
29 human consumption. Bottled water is calorie free and does not contain sweeteners or other
30 additives except that it may contain:

31 (a) Antimicrobial agents;

32 (b) Fluoride;

33 (c) Carbonation;

34 (d) Vitamins, minerals, and electrolytes;

35 (e) Oxygen;

36 (f) Preservatives; and

37 (g) Only those flavors, extracts, or essences derived from a spice or fruit.

38

39 Bottled water includes water that is delivered to the buyer in a reusable container that is
40 not sold with the water;

41 (9) "Bundled transaction":

42 (a) The retail sale of two or more products, except real property and services to real
43 property, where the products are otherwise distinct and identifiable, and the products are
44 sold for one nonitemized price. A bundled transaction shall not include the sale of any
45 products in which the sales price varies, or is negotiable, based on the selection by the
46 purchaser of the products included in the transaction;

47 (b) As used in this subdivision, the term "distinct and identifiable products" shall
48 not include:

49 a. Packaging, such as containers, boxes, sacks, bags, and bottles, or other materials,
50 such as wrapping, labels, tags, and instruction guides, that accompany the retail sale of the
51 products and are incidental or immaterial to the retail sale thereof;

52 b. A product provided free of charge with the required purchase of another
53 product. A product is provided free of charge if the sales price of the product purchased
54 does not vary depending on the inclusion of the product provided free of charge;

55 c. Items included in the definition of the term sales price;

56 (c) As used in this subdivision, the term "one nonitemized price" shall not include
57 a price that is separately identified by product on binding sales or other supporting
58 sales-related documentation made available to the customer in paper or electronic form

59 including, but not limited to, an invoice, bill of sale, receipt, contract, service agreement,
60 lease agreement, periodic notice of rates and services, rate card, or price list;

61 (d) a. A transaction that otherwise meets the definition of a bundled transaction
62 as defined in this subdivision shall not constitute a bundled transaction if it is:

63 (i) A retail sale of tangible personal property and a service where the tangible
64 personal property is essential to the use of the service, and is provided exclusively in
65 connection with the service, and the true object of the transaction is the service; or

66 (ii) A retail sale of services where one service is provided that is essential to the use
67 of receipt of a second service and the first service is provided exclusively in connection with
68 the second service and the true object of the transaction is the second service; or

69 (iii) A transaction that includes taxable products and nontaxable products and the
70 sales price of the taxable products is de minimis.

71 b. "De minimis" means the sales price of the taxable product is ten percent or less
72 of the total sales price of the bundled products.

73 c. Sellers shall use the sales price of the products to determine if the taxable
74 products are de minimis.

75 d. (i) Sellers shall use the full term of a service contract to determine if the taxable
76 products are de minimis; or

77 (ii) A retail sale of exempt tangible personal property and taxable tangible personal
78 property where:

79 i. The transaction included food and food ingredients, drugs, durable medical
80 equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices, or
81 medical supplies; and

82 ii. The seller's purchase price or sales price of the taxable tangible personal
83 property is fifty percent or less of the total sales price of the bundled tangible personal
84 property. Sellers shall not use a combination of the purchase price and sales price of the
85 tangible personal property when making the fifty percent determination for a transaction;

86 (10) "Business" includes any activity engaged in by any person, or caused to be engaged
87 in by him, with the object of gain, benefit or advantage, either direct or indirect, and the
88 classification of which business is of such character as to be subject to the terms of sections
89 144.010 to 144.525. A person is "engaging in business" in this state for purposes of sections
90 144.010 to 144.525 if such person engages in business in this state or maintains a place of
91 business in this state under section [~~144.605~~] 144.612. The isolated or occasional sale of
92 tangible personal property, service, substance, or thing, by a person not engaged in such business,
93 does not constitute engaging in business within the meaning of sections 144.010 to 144.525
94 unless the total amount of the gross receipts from such sales, exclusive of receipts from the sale

95 of tangible personal property by persons which property is sold in the course of the partial or
96 complete liquidation of a household, farm or nonbusiness enterprise, exceeds three thousand
97 dollars in any calendar year. The provisions of this subdivision shall not be construed to make
98 any sale of property which is exempt from sales tax or use tax on June 1, 1977, subject to that
99 tax thereafter;

100 **(11) "Calendar quarter", the period of three consecutive calendar months ending**
101 **on March thirty-first, June thirtieth, September thirtieth, or December thirty-first;**

102 **(12) "Call-by-call basis", any method of charging for telecommunications services**
103 **where the price is measured by individual calls;**

104 **(13) "Candy", a preparation of sugar, honey, or other natural or artificial**
105 **sweeteners in combination with chocolate, fruits, nuts, or other ingredients or flavorings**
106 **in the form of bars, drops, or pieces. Candy shall not include any preparation containing**
107 **flour and shall require no refrigeration;**

108 ~~[(3)]~~ **(14) "Captive wildlife", includes but is not limited to exotic partridges, gray**
109 **partridge, northern bobwhite quail, ring-necked pheasant, captive waterfowl, captive white-tailed**
110 **deer, captive elk, and captive furbearers held under permit issued by the Missouri department of**
111 **conservation for hunting purposes. The provisions of this subdivision shall not apply to sales**
112 **tax on a harvested animal;**

113 **(15) "Certified automated system" or "CAS", software certified under the**
114 **streamlined sales and use tax agreement to calculate the tax imposed by each jurisdiction**
115 **on a transaction, determine the amount of tax to remit to the appropriate state, and**
116 **maintain a record of the transaction;**

117 **(16) "Certified service provider" or "CSP", an agent certified under the**
118 **streamlined sales and use tax agreement to perform all the seller's sales and use tax**
119 **functions, other than the seller's obligation to remit tax on its own purchases;**

120 **(17) "Clothing":**

121 **(a) All human wearing apparel suitable for general use;**

122 **(b) Clothing shall include:**

123 **a. Aprons, household and shop;**

124 **b. Athletic supporters;**

125 **c. Baby receiving blankets;**

126 **d. Bathing suits and caps;**

127 **e. Beach capes and coats;**

128 **f. Belts and suspenders;**

129 **g. Boots;**

130 **h. Coats and jackets;**

- 131 **i. Costumes;**
132 **j. Diapers, children and adult, including disposable diapers;**
133 **k. Ear muffs;**
134 **l. Footlets;**
135 **m. Formal wear;**
136 **n. Garters and garter belts;**
137 **o. Girdles;**
138 **p. Gloves and mittens for general use;**
139 **q. Hats and caps;**
140 **r. Hosiery;**
141 **s. Insoles for shoes;**
142 **t. Lab coats;**
143 **u. Neckties;**
144 **v. Overshoes;**
145 **w. Pantyhose;**
146 **x. Rainwear;**
147 **y. Rubber pants;**
148 **z. Sandals;**
149 **aa. Scarves;**
150 **bb. Shoes and shoe laces;**
151 **cc. Slippers;**
152 **dd. Sneakers;**
153 **ee. Socks and stockings;**
154 **ff. Steel toed shoes;**
155 **gg. Underwear;**
156 **hh. Uniforms, athletic and nonathletic; and**
157 **ii. Wedding apparel;**
158 **(c) Clothing shall not include:**
159 **a. Belt buckles sold separately;**
160 **b. Costume masks sold separately;**
161 **c. Patches and emblems sold separately;**
162 **d. Sewing equipment and supplies including, but not limited to, knitting needles,**
163 **patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and**
164 **e. Sewing materials that become part of clothing including, but not limited to**
165 **buttons, fabric, lace, thread, yarn, and zippers;**

- 166 (18) "Clothing accessories and equipment", incidental items worn on the person
167 or in conjunction with clothing. Clothing accessories or equipment are mutually exclusive
168 of clothing, sport or recreational equipment, and protective equipment;
- 169 (19) "Coin-operated telephone service", a telecommunications service paid for by
170 inserting moneys into a telephone accepting direct deposits of moneys to operate;
- 171 (20) "Communications channel", a physical or virtual path of communications over
172 which signals are transmitted between or among customer channel termination points;
- 173 (21) "Computer", an electronic device that accepts information in digital or similar
174 form and manipulates it for a result based on a sequence of instructions;
- 175 (22) "Computer software", a set of coded instructions designed to cause a computer
176 or automatic data processing equipment to perform a task. Computer software shall not
177 include specified digital products, digital audio-visual works, digital audio works, or digital
178 books;
- 179 (23) "Conference bridging service", an ancillary service that links two or more
180 participants of an audio or video conference call and may include the provision of a
181 telephone number. Conference bridging service does not include the telecommunications
182 services used to reach the conference bridge;
- 183 (24) "Customer", the person or entity that contracts with the seller of
184 telecommunications services. If the end user of telecommunications services is not the
185 contracting party, the end user of the telecommunications service is the customer of the
186 telecommunication service, but this definition only applies to the purpose of sourcing sales
187 of telecommunications services under section 144.114. Customer shall not include a
188 reseller of telecommunications service or for mobile telecommunications service of a
189 serving carrier under an agreement to serve the customer outside the home service
190 provider's licensed service area;
- 191 (25) "Customer channel termination point", the location where the customer either
192 inputs or receives the communication;
- 193 (26) "Delivered electronically", delivered to the purchaser by means other than
194 tangible storage media;
- 195 (27) "Delivery charges", charges by the seller of personal property or services for
196 preparation and delivery to a location designated by the purchaser of personal property
197 or services, including but not limited to transportation, shipping, postage, handling,
198 crating, and packing;
- 199 (28) "Detailed telecommunications billing service", an ancillary service of
200 separately stating information pertaining to individual calls on a customer's billing
201 statement;

202 **(29) "Dietary supplement", any product, other than tobacco, intended to**
203 **supplement the diet that contains one or more of the following dietary ingredients: a**
204 **vitamin; a mineral; an herb or other botanical; an amino acid; a dietary substance for use**
205 **by humans to supplement the diet by increasing the total dietary intake; or a concentrate,**
206 **metabolite, constituent, extract, or combination of any ingredient described above; and**
207 **that is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or**
208 **if not intended for ingestion in such a form, is not represented as a conventional food and**
209 **is not represented for use as a sole item of a meal or of the diet; and that is required to be**
210 **labeled as a dietary supplement, identifiable by the supplemental facts box found on the**
211 **label and as required under 21 CFR Section 101.36;**

212 **(30) "Digital audio works", works that result from the fixation of a series of**
213 **musical, spoken, or other sounds, including ringtones;**

214 **(31) "Digital audio-visual works", a series of related images which, when shown**
215 **in succession, impart an impression of motion, together with accompanying sounds, if any;**

216 **(32) "Digital books", works that are generally recognized in the ordinary and usual**
217 **sense as books;**

218 **(33) "Direct mail", printed material delivered or distributed by United States mail**
219 **or other delivery service to a mass audience or to addressees on a mailing list provided by**
220 **the purchaser or at the direction of the purchaser when the cost of the items are not billed**
221 **directly to the recipients. Direct mail shall include tangible personal property supplied**
222 **directly or indirectly by the purchaser to the direct mail seller for inclusion in the package**
223 **containing the printed material. Direct mail shall not include multiple items of printed**
224 **material delivered to a single address;**

225 **(34) "Directory assistance", an ancillary service of providing telephone number**
226 **information, and/or address information;**

227 **(35) "Drug":**

228 **(a) A compound, substance, or preparation, and any component of a compound,**
229 **substance, or preparation, other than food and food ingredients, dietary supplements,**
230 **alcoholic beverages, or grooming and hygiene products:**

231 **a. Recognized in the official United States Pharmacopoeia, official Homeopathic**
232 **Pharmacopoeia of the United States, or official National Formulary, or a supplement to**
233 **any of them;**

234 **b. Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of**
235 **disease; or**

236 **c. Intended to affect the structure or any function of the body;**

237 **(b) Drug shall include insulin and medical oxygen;**

- 238 **(36) "Durable medical equipment", equipment including repair and replacement**
239 **parts for same, excluding mobility enhancing equipment. Durable medical equipment:**
240 **(a) Can withstand repeated use;**
241 **(b) Is primarily and customarily used to serve a medical purpose;**
242 **(c) Generally is not useful to a person in the absence of illness or injury;**
243 **(d) Is not worn in or on the body;**
244 **(e) Is for home use;**
245 **(f) Is within the classification of devices eligible for MO HealthNet and Medicare**
246 **reimbursement;**
247 **(g) Shall not include:**
248 **a. Kidney dialysis equipment not worn in or on the body, including repair and**
249 **replacement parts; and**
250 **b. Enteral feeding systems not worn in or on the body, including repair and**
251 **replacement parts.**
252
- 253 **As used in this subdivision, repair and replacement parts shall include all components or**
254 **attachments used in conjunction with the durable medical equipment;**
- 255 **(37) "Electronic", relating to technology having electrical, digital, magnetic,**
256 **wireless, optical, electromagnetic, or similar capabilities;**
- 257 **(38) "End user", the person who utilizes the telecommunication service. In case of**
258 **an entity, "end user" means the individual who utilizes the service on behalf of the entity;**
- 259 **(39) "Energy star qualified product", a product that meets the energy efficient**
260 **guidelines set by the United States Environmental Protection Agency and the United States**
261 **Department of Energy that are authorized to carry the Energy Star label. Covered**
262 **products are those listed at www.energystar.gov or successor address;**
- 263 **(40) "Engages in business activities within this state" includes:**
264 **(a) Maintaining or having a franchisee or licensee operating under the seller's trade**
265 **name in this state if the franchisee or licensee is required to collect sales tax under sections**
266 **144.010 to 144.525;**
267 **(b) Soliciting sales or taking orders by sales agents or traveling representatives;**
268 **(c) A vendor is presumed to engage in business activities within this state if any**
269 **person, other than a common carrier acting in its capacity as such, that has substantial**
270 **nexus with this state:**
271 **a. Sells a similar line of products as the vendor and does so under the same or a**
272 **similar business name;**

273 **b. Maintains an office, distribution facility, warehouse, storage place, or similar**
274 **place of business in the state to facilitate the delivery of property or services sold by the**
275 **vendor to the vendor's customers;**

276 **c. Delivers, installs, assembles, or performs maintenance services for the vendor's**
277 **customers within the state;**

278 **d. Facilitates the vendor's delivery of property to customers in the state by allowing**
279 **the vendor's customers to pick up property sold by the vendor at an office, distribution**
280 **facility, warehouse, storage place, or similar place of business maintained by the person in**
281 **the state; or**

282 **e. Conducts any other activities in the state that are significantly associated with**
283 **the vendor's ability to establish and maintain a market in the state for the sales;**

284 **(d) The presumption in paragraph (c) may be rebutted by demonstrating that the**
285 **person's activities in the state are not significantly associated with the vendor's ability to**
286 **establish or maintain a market in this state for the vendor's sales;**

287 **(e) Notwithstanding paragraph (c), a vendor shall be presumed to engage in**
288 **business activities within this state if the vendor enters into an agreement with one or more**
289 **residents of this state under which the resident, for a commission or other consideration,**
290 **directly or indirectly refers potential customers, whether by a link on an internet website,**
291 **an in-person oral presentation, telemarketing, or otherwise, to the vendor, if the cumulative**
292 **gross receipts from sales by the vendor to customers in the state who are referred to the**
293 **vendor by all residents with this type of an agreement with the vendor is in excess of ten**
294 **thousand dollars during the preceding twelve months;**

295 **(f) The presumption in paragraph (e) may be rebutted by submitting proof that the**
296 **residents with whom the vendor has an agreement did not engage in any activity within the**
297 **state that was significantly associated with the vendor's ability to establish or maintain the**
298 **vendor's market in the state during the preceding twelve months. Such proof may consist**
299 **of sworn written statements from all of the residents with whom the vendor has an**
300 **agreement stating that they did not engage in any solicitation in the state on behalf of the**
301 **vendor during the preceding year provided that such statements were provided and**
302 **obtained in good faith;**

303 **(41) "Food and food ingredients", substances, whether in liquid, concentrated,**
304 **solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans**
305 **and are consumed for their taste or nutritional value. Food and food ingredients shall not**
306 **include alcoholic beverages, tobacco, or dietary supplements;**

307 **(42) "Food sold through vending machines", food, food ingredients, prepared food,**
308 **bottled water, candy, and soft drinks dispensed from a machine or other mechanical device**
309 **that accepts payment;**

310 **(43) "Grooming and hygiene products", soaps and cleaning solutions, shampoo,**
311 **toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of**
312 **whether the items meet the definition of over-the-counter drugs;**

313 ~~[(4)]~~ **(44) "Gross receipts" or "sales price":**

314 **(a) Except as provided in section 144.012, [means the total amount of the sale price of**
315 **the sales at retail including any services other than charges incident to the extension of credit that**
316 **are a part of such sales made by the businesses herein referred to, capable of being valued in**
317 **money, whether received in money or otherwise; except that, the term gross receipts shall not**
318 **include the sale price of property returned by customers when the full sale price thereof is**
319 **refunded either in cash or by credit. In determining any tax due under sections 144.010 to**
320 **144.525 on the gross receipts, charges incident to the extension of credit shall be specifically**
321 **exempted. For the purposes of sections 144.010 to 144.525 the total amount of the sale price**
322 **above mentioned shall be deemed to be the amount received. It shall also include the lease or**
323 **rental consideration where the right to continuous possession or use of any article of tangible**
324 **personal property is granted under a lease or contract and such transfer of possession would be**
325 **taxable if outright sale were made and, in such cases, the same shall be taxable as if outright sale**
326 **were made and considered as a sale of such article, and the tax shall be computed and paid by**
327 **the lessee upon the rentals paid. The term "gross receipts" shall not include usual and customary**
328 **delivery charges that are stated separately from the sale price] **applies to the measure subject****
329 **to sales tax and means the total amount of consideration, including cash, credit, property,**
330 **and services, for which personal property or services are sold, leased, or rented, valued in**
331 **money, whether received in money or otherwise, without any deduction for the following:**

332 **a. The seller's cost of the property sold;**

333 **b. The cost of materials used, labor or service cost, interest, losses, all costs of**
334 **transportation to the seller, all taxes imposed on the seller, and any other expense of the**
335 **seller;**

336 **c. Charges by the seller for any services necessary to complete the sale, other than**
337 **delivery and installation charges;**

338 **d. Delivery charges; and**

339 **e. Credit for any trade-in;**

340 **(b) Shall not include:**

341 **a. Discounts, including cash, term, or coupons that are not reimbursed by a third**
342 **party that are allowed by a seller and taken by a purchaser on a sale;**

- 343 **b. Interest, financing, and carrying charges from credit extended on the sale of**
344 **personal property or services, if the amount is separately stated on the invoice, bill of sale,**
345 **or similar document given to the purchaser; and**
- 346 **c. Any taxes legally imposed directly on the consumer that are separately stated on**
347 **the invoice, bill of sale, or similar document given to the purchaser;**
- 348 **(c) Shall include consideration received by the seller from third parties if:**
- 349 **a. The seller actually receives consideration from a party other than the purchaser**
350 **and the consideration is directly related to a price reduction or discount on the sale;**
- 351 **b. The seller has an obligation to pass the price reduction or discount through to**
352 **the purchaser;**
- 353 **c. The amount of the consideration attributable to the sale is fixed and**
354 **determinable by the seller at the time of the sale of the item to the purchaser; and**
- 355 **d. One of the following criteria is met:**
- 356 **(i) The purchaser presents a coupon, certificate, or other documentation to the**
357 **seller to claim a price reduction or discount where the coupon, certificate, or**
358 **documentation is authorized, distributed, or granted by a third party with the**
359 **understanding that the third party will reimburse any seller to whom the coupon,**
360 **certificate, or documentation is presented;**
- 361 **(ii) The purchaser identifies himself or herself to the seller as a member of a group**
362 **or organization entitled to a price reduction or discount. A preferred customer card that**
363 **is available to any patron does not constitute membership in such a group; or**
- 364 **(iii) The price reduction or discount is identified as a third-party price reduction**
365 **or discount on the invoice received by the purchaser or on a coupon, certificate, or other**
366 **documentation presented by the purchaser;**
- 367 **(45) "Home service provider", the same as such term is defined in Section 124(5)**
368 **of Pub. Law 106-252, Mobile Telecommunications Sourcing Act;**
- 369 **(46) "Lease or rental":**
- 370 **(a) Any transfer of possession or control of tangible personal property for a fixed**
371 **or indeterminate term for consideration. A lease or rental may include future options to**
372 **purchase or extend;**
- 373 **(b) Lease or rental shall not include:**
- 374 **a. A transfer of possession or control of property under a security agreement or**
375 **deferred payment plan that requires the transfer of title upon completion of the required**
376 **payments;**
- 377 **b. A transfer of possession or control of property under an agreement that requires**
378 **the transfer of title upon completion of required payments and where any payment of an**

379 option price does not exceed the greater of one hundred dollars or one percent of the total
380 required payments;

381 c. Providing tangible personal property along with an operator for a fixed or
382 indeterminate period of time provided that the operator is necessary for the equipment to
383 perform as designed and the operator does more than maintain, inspect, or set up the
384 tangible personal property;

385 (c) Lease or rental includes agreements covering motor vehicles and trailers where
386 the amount of consideration may be increased or decreased by reference to the amount
387 realized upon sale or disposition of the property as defined in 26 U.S.C. Section 7701(h)(1),
388 as amended;

389 (47) "Light aircraft", a light airplane that seats no more than four persons, with
390 a gross weight of three thousand pounds or less, which is primarily used for recreational
391 flying or flight training;

392 (48) "Light aircraft kit", factory manufactured light aircraft parts and
393 components, including engine, propeller, instruments, wheels, brakes, and air frame parts
394 which make up a complete aircraft kit or partial kit designed to be assembled into a light
395 aircraft and then operated by a qualified light aircraft purchaser for recreational and
396 educational purposes;

397 (49) "Light aircraft parts and components", manufactured light aircraft parts,
398 including air frame and engine parts, that are required by the qualified light aircraft
399 purchaser to complete a light aircraft kit, or spare or replacement parts for an already
400 completed light aircraft;

401 [~~5~~] (50) "Instructional class", includes any class, lesson, or instruction intended or used
402 for teaching;

403 [~~6~~] (51) "Livestock", cattle, calves, sheep, swine, ratite birds, including but not limited
404 to, ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk
405 documented as obtained from a legal source and not from the wild, goats, horses, other equine,
406 or rabbits raised in confinement for human consumption;

407 (52) "Load and leave", delivery to the purchaser by use of a tangible storage media
408 where the tangible storage media is not physically transferred to the purchaser;

409 (53) "Maintains a place of business in this state", includes maintaining, occupying,
410 or using, permanently or temporarily, directly or indirectly, or through a subsidiary or
411 agent, by whatever name called, an office, place of distribution, sales or sample room or
412 place, warehouse or storage place, or other place of business;

413 (54) "Mobile telecommunications service", the same as such term is defined in
414 Section 124(7) of Pub. Law 106-252, Mobile Telecommunications Sourcing Act;

415 **(55) "Mobility enhancing equipment", equipment, including repair and**
416 **replacement parts to same, which:**

417 **(a) Is primarily and customarily used to provide or increase the ability to move**
418 **from one place to another and which is appropriate for use either in a home or a motor**
419 **vehicle;**

420 **(b) Is not generally used by persons with normal mobility; and**

421 **(c) Is within the classification of devices eligible for MO HealthNet and Medicare**
422 **reimbursement.**

423

424 **Mobility enhancement equipment shall not include durable medical equipment or any**
425 **motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle**
426 **manufacturer;**

427 **(56) "Model 1 seller", a seller registered under the agreement that has selected a**
428 **certified service provider as its agent to perform all the seller's sales and use tax functions,**
429 **other than the seller's obligation to remit tax on its own purchases;**

430 **(57) "Model 2 seller", a seller that has selected a certified automated system (CAS)**
431 **to perform part of its sales and use tax functions, but retains responsibility for remitting**
432 **the tax;**

433 **(58) "Model 3 seller", a seller registered under the agreement that has sales in at**
434 **least five member states, has total annual sales revenue of at least five hundred million**
435 **dollars, has a proprietary system that calculates the amount of tax due each jurisdiction,**
436 **and has entered into a performance agreement with the member states that establishes a**
437 **tax performance standard for the seller. As used in this subdivision, a seller shall include**
438 **an affiliated group of sellers using the same proprietary system;**

439 **(59) "Model 4 seller", a seller that is registered under the agreement and is not a**
440 **Model 1 Seller, a Model 2 Seller, or a Model 3 Seller;**

441 ~~[(7)]~~ **(60) "Motor vehicle leasing company" [shall be]**, a company obtaining a permit
442 from the director of revenue to operate as a motor vehicle leasing company. Not all persons
443 renting or leasing trailers or motor vehicles need to obtain such a permit; however, no person
444 failing to obtain such a permit may avail itself of the optional tax provisions of subsection 5 of
445 section 144.070, as hereinafter provided;

446 **(61) "Optional computer software maintenance contract", a computer software**
447 **maintenance contract that a customer is not obligated to purchase as a condition to the**
448 **retail sale of computer software;**

449 **(62) "Other direct mail", any direct mail that is not advertising and promotional**
450 **direct mail, regardless of whether advertising and promotional direct mail is included in**
451 **the same mailing. Other direct mail includes, but is not limited to:**

452 **(a) Transactional direct mail that contains personal information specific to the one**
453 **addressee including, but not limited to, invoices, bills, statements of account, and payroll**
454 **advices;**

455 **(b) Any legally required mailings including, but not limited to, privacy notices, tax**
456 **reports, and stockholder reports; and**

457 **(c) Other nonpromotional direct mail delivered to existing or former shareholders,**
458 **customers, employees, or agents including, but not limited to, newsletters and**
459 **informational pieces.**

460

461 **Other direct mail shall not include the development of billing information or the provision**
462 **or any data processing service that is more than incidental;**

463 **(63) "Over-the-counter drug", a drug, excluding grooming and hygiene products,**
464 **that contains a label that identifies the product as a drug as required by 21 C.F.R. Section**
465 **201.66 and includes:**

466 **(a) A drug facts panel; or**

467 **(b) A statement of the active ingredients with a list of those ingredients contained**
468 **in the compound, substance, or preparation;**

469 ~~[(8)]~~ **(64) "Person" includes any individual, firm, copartnership, joint adventure,**
470 **association, corporation, municipal or private, and whether organized for profit or not, state,**
471 **county, political subdivision, state department, commission, board, bureau or agency, [except**
472 **the state transportation department,] estate, trust, business trust, receiver or trustee appointed by**
473 **the state or federal court, syndicate, or any other group or combination acting as a unit, and the**
474 **plural as well as the singular number, or any other legal entity;**

475 **(65) "Place of primary use", the street address representative of where the**
476 **customer's use of the telecommunications service primarily occurs, which must be the**
477 **residential street address or the primary business street address of the customer. In the**
478 **case of mobile telecommunications services, place of primary use must be within the**
479 **licensed service area of the home service provider;**

480 **(66) "Post-paid calling service", the telecommunications service obtained by**
481 **making a payment on a call-by-call basis either through the use of a credit card or payment**
482 **mechanism such as a bank card, travel card, credit card, or debit card, or by charge made**
483 **to a telephone number which is not associated with the origination or termination of the**
484 **telecommunications service. A post-paid calling service includes a telecommunications**

485 service, except a prepaid wireless calling service, that would be a prepaid calling service
486 except it is not exclusively a telecommunications service;

487 (67) "Prepaid calling service", the right to access exclusively telecommunications
488 services, which must be paid for in advance and which enables the origination of calls using
489 an access number or authorization code, whether manually or electronically dialed, and
490 that is sold in predetermined units or dollars of which the number declines with use in a
491 known amount;

492 (68) "Prepaid wireless calling service", a telecommunications service that provides
493 the right to utilize mobile wireless services as well as other nontelecommunications services,
494 including the download of digital products delivered electronically, content, and ancillary
495 services, which must be paid for in advance and that is sold in predetermined units or
496 dollars of which the number declines with use in a known amount;

497 (69) "Prepared food", food sold in a heated state or heated by the seller; two or
498 more food ingredients mixed or combined by the seller for sale as a single item; or food
499 sold with eating utensils provided by the seller, including plates, knives, forks, spoons,
500 glasses, cups, napkins, or straws. A plate shall not include a container or packaging used
501 to transport the food. Prepared food shall not include food that is only cut, repackaged, or
502 pasteurized by the seller and eggs, fish, meat, poultry, and foods containing these raw
503 animal foods requiring cooking by the consumer as recommended by the Food and Drug
504 Administration in Chapter 3, Part 401.11 of the Food Code so as to prevent food-borne
505 illnesses;

506 (70) "Prescription", an order, formula, or recipe issued in any form of oral,
507 written, electronic, or other means of transmission by a duly licensed practitioner
508 authorized by the laws of the state;

509 (71) "Prewritten computer software", computer software, including prewritten
510 upgrades, which is not designed and developed by the author or other creator to the
511 specifications of a specific purchaser. The combining of two or more prewritten computer
512 software programs or prewritten portions thereof shall not cause the combination to be
513 other than prewritten computer software. Prewritten computer software shall include
514 software designed and developed by the author or other creator to the specifications of a
515 specific purchaser when it is sold to a person other than the specific purchaser. Where a
516 person modifies or enhances computer software of which the person is not the author or
517 creator, the person shall be deemed to be the author or creator only of such person's
518 modifications or enhancements. Prewritten computer software or a prewritten portion
519 thereof that is modified or enhanced to any degree, where such modification or
520 enhancement is designed and developed to the specifications of a specific purchaser,

521 remains prewritten computer software; provided, however, that where there is a
522 reasonable, separately stated charge or an invoice or other statement of the price given to
523 the purchaser for such modification or enhancement, such modification or enhancement
524 shall not constitute prewritten computer software;

525 (72) "Private communication service", a telecommunications service that entitles
526 the customer to exclusive or priority use of a communications channel or group of channels
527 between or among termination points, regardless of the manner in which such channel or
528 channels are connected, and includes switching capacity, extension lines, stations, and any
529 other associated services that are provided in connection with the use of such channel or
530 channels;

531 (73) "Product-based exemption", an exemption based on the description of the
532 product and not based on who purchases the product or how the purchaser intends to use
533 the product;

534 ~~[(9)]~~ (74) "Product which is intended to be sold ultimately for final use or consumption"
535 ~~[means]~~, tangible personal property, or any service that is subject to state or local sales or use
536 taxes, or any tax that is substantially equivalent thereto, in this state or any other state;

537 (75) "Prosthetic device", a replacement, corrective, or supportive device including
538 repair and replacement parts for same worn on or in the body to artificially replace a
539 missing portion of the body, prevent or correct physical deformity or malfunction, or
540 support a weak or deformed portion of the body. The term "prosthetic device" shall not
541 include corrective eyeglasses or contact lenses and shall be limited to the classification of
542 devices eligible for MO HealthNet and Medicare reimbursement;

543 (76) "Protective equipment", items for human wear and designed as protection of
544 the wearer against injury or disease or as protections against damage or injury of other
545 persons or property but not suitable for general use. Protective equipment are mutually
546 exclusive of clothing, clothing accessories or equipment, and sport or recreational
547 equipment;

548 (77) "Purchase", the acquisition of the ownership of, or title to, tangible personal
549 property through a sale, as defined herein, for the purpose of storage, use, or consumption
550 in this state;

551 (78) "Purchase price", applies to the measure subject to use tax and has the same
552 meaning as sales price;

553 ~~[(10)]~~ (79) "Purchaser" ~~[means]~~, a person who purchases tangible personal property or
554 to whom are rendered services, receipts from which are taxable under sections 144.010 to
555 144.525;

556 **(80) "Qualified light aircraft purchaser", a purchaser of a light aircraft, light**
557 **aircraft kit, or light aircraft parts or components who is a nonresident of this state, who**
558 **will transport the light aircraft, light aircraft kit, or light aircraft parts or components**
559 **outside this state within ten days after the date of purchase, and who will register any light**
560 **aircraft so purchased in another state or country. Such purchaser shall not base such**
561 **aircraft in this state and such purchaser shall not be a resident of the state unless such**
562 **purchaser has paid sales or use tax on such aircraft in another state;**

563 **(81) "Receive" or "receipt", taking possession of tangible personal property;**
564 **making first use of services; or taking possession or making first use of digital goods,**
565 **whichever comes first. Receive and receipt shall not include possession by a shipping**
566 **company on behalf of the purchaser;**

567 **(82) "Registered under the agreement", registration by a seller with the member**
568 **states under the central registration system provided in Article IV of the agreement;**

569 ~~[(11)]~~ **(83) "Research or experimentation activities" [are] , the development of an**
570 **experimental or pilot model, plant process, formula, invention or similar property, and the**
571 **improvement of existing property of such type. Research or experimentation activities do not**
572 **include activities such as ordinary testing or inspection of materials or products for quality**
573 **control, efficiency surveys, advertising promotions or research in connection with literary,**
574 **historical or similar projects;**

575 ~~[(12)]~~ ~~"Sale" or "sales" includes installment and credit sales, and the exchange of~~
576 ~~properties as well as the sale thereof for money, every closed transaction constituting a sale, and~~
577 ~~means any transfer, exchange or barter, conditional or otherwise, in any manner or by any means~~
578 ~~whatsoever, of tangible personal property for valuable consideration and the rendering,~~
579 ~~furnishing or selling for a valuable consideration any of the substances, things and services~~
580 ~~herein designated and defined as taxable under the terms of sections 144.010 to 144.525;~~

581 ~~[(13)]~~ **(84) "Sale at retail" [means any transfer made by any person engaged in business**
582 **as defined herein of the ownership of, or title to, tangible personal property to the purchaser, for**
583 **use or consumption and not for resale in any form as tangible personal property, for a valuable**
584 **consideration, except that, for the purposes of sections 144.010 to 144.525 and the tax imposed**
585 **thereby: (i) purchases of tangible personal property made by duly licensed physicians, dentists,**
586 **optometrists and veterinarians and used in the practice of their professions shall be deemed to**
587 **be purchases for use or consumption and not for resale; and (ii) the selling of computer printouts,**
588 **computer output or microfilm or microfiche and computer-assisted photo compositions to a**
589 **purchaser to enable the purchaser to obtain for his or her own use the desired information**
590 **contained in such computer printouts, computer output on microfilm or microfiche and**
591 **computer-assisted photo compositions shall be considered as the sale of a service and not as the**

592 ~~sale of tangible personal property]~~ or "retail sale", any sale, lease, or rental for any purpose
593 other than for resale, sublease, or subrent. Purchases of tangible personal property made
594 by duly licensed physicians, dentists, optometrists, and veterinarians and used in the
595 practice of their professions shall be deemed to be purchases for use or consumption and
596 not for resale. Where necessary to conform to the context of sections 144.010 to 144.525 and
597 the tax imposed thereby, the term sale at retail shall be construed to embrace:

598 (a) Sales of admission tickets, cash admissions, charges and fees to or in places of
599 amusement, entertainment and recreation, games and athletic events, except amounts paid for
600 any instructional class;

601 (b) Sales of electricity, electrical current, water and gas, natural or artificial, to domestic,
602 commercial or industrial consumers;

603 (c) Sales of [~~local and long distance~~] telecommunications [~~service to telecommunications~~
604 ~~subscribers~~] services and [~~to others through equipment of telecommunications subscribers for~~
605 ~~the transmission of messages and conversations,~~] ancillary services and the sale, rental or
606 leasing of all equipment or services pertaining or incidental thereto;

607 (d) Sales of service for transmission of messages by telegraph companies;

608 (e) Sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern,
609 inn, restaurant, eating house, drugstore, dining car, tourist camp, tourist cabin, or other place in
610 which rooms, meals or drinks are regularly served to the public;

611 (f) Sales of tickets by every person operating a railroad, sleeping car, dining car, express
612 car, boat, airplane, and such buses and trucks as are licensed by the division of motor carrier and
613 railroad safety of the department of economic development of Missouri, engaged in the
614 transportation of persons for hire;

615 **(85) "School art supply":**

616 (a) An item commonly used by a student in a course of study for artwork. The term
617 is mutually exclusive of the terms school supply, school instructional material, and school
618 computer supply;

619 (b) The following is an all-inclusive list:

620 a. Clay and glazes;

621 b. Paints, acrylic, tempera, and oil;

622 c. Paintbrushes for artwork;

623 d. Sketch and drawing pads; and

624 e. Watercolors;

625 **(86) "School computer supply":**

626 (a) An item commonly used by a student in a course of study in which a computer
627 is used. The term is mutually exclusive of the terms school supply, school art supply, and
628 school instructional material;

629 (b) The following is an all-inclusive list:

630 a. Computer storage media, diskettes, and compact discs;

631 b. Handheld electronic schedulers, except devices that are cellular phones;

632 c. Personal digital assistants, except devices that are cellular phones; and

633 d. Computer printers and printer supplies for computers, printer paper, and
634 printer ink;

635 (87) "School instructional material":

636 (a) Written material commonly used by a student in a course of study as a reference
637 and to learn the subject being taught. The term is mutually exclusive of the terms school
638 supply, school art supply, and school computer supply;

639 (b) The following is an all-inclusive list:

640 a. Reference books;

641 b. Reference maps and globes;

642 c. Textbooks; and

643 d. Workbooks;

644 (88) "School supply":

645 (a) An item commonly used by a student in a course of study. The term is mutually
646 exclusive of the terms school art supply, school instructional material, and school computer
647 supply;

648 (b) The following is an all-inclusive list:

649 a. Binders;

650 b. Book bags;

651 c. Calculators;

652 d. Cellophane tape;

653 e. Blackboard chalk;

654 f. Compasses;

655 g. Composition books;

656 h. Crayons;

657 i. Erasers;

658 j. Folders: expandable, pocket, plastic, and manila;

659 k. Glue, paste, and paste sticks;

660 l. Highlighters;

661 m. Index cards;

- 662 n. Index card boxes;
- 663 o. Legal pads;
- 664 p. Lunch boxes;
- 665 q. Markers;
- 666 r. Notebooks;
- 667 s. Paper: loose leaf notebook paper, copy paper, graph paper, tracing paper, manila
- 668 paper, colored paper, poster board, and construction paper;
- 669 t. Pencil boxes and other school supply boxes;
- 670 u. Pencil sharpeners;
- 671 v. Pencils;
- 672 w. Pens;
- 673 x. Protractors;
- 674 y. Rulers;
- 675 z. Scissors; and
- 676 aa. Writing tablets;
- 677 ~~[(14)]~~ (89) "Seller" ~~[means]~~ , a person ~~[selling or furnishing tangible]~~ making sales,
- 678 leases, or rentals of personal property or ~~[rendering services, on the receipts from which a tax~~
- 679 ~~is imposed pursuant to section 144.020]~~ service;
- 680 (90) "Selling agent", every person acting as a representative of a principal, when
- 681 such principal is not registered with the director of revenue of the state of Missouri for the
- 682 collection of the taxes imposed under this chapter and who receives compensation by
- 683 reason of the sale of tangible personal property of the principal, if such property is to be
- 684 stored, used, or consumed in this state;
- 685 (91) "Service address":
- 686 (a) The location of the telecommunications equipment to which a customer's call
- 687 is charged and from which the call originates or terminates, regardless of where the call
- 688 is billed or paid;
- 689 (b) If the location in paragraph (a) of this subdivision is not known, "service
- 690 address" means the origination point of the signal of the telecommunications services first
- 691 identified by either the seller's telecommunications system or in information received by
- 692 the seller from its service provider, where the system used to transport such signals is not
- 693 that of the seller;
- 694 (c) If the location in paragraphs (a) and (b) of this subdivision are not known, the
- 695 service address shall be the location of the customer's place of primary use;
- 696 (92) "Specified digital products", electronically transferred digital audio-visual
- 697 works, digital audio works, and digital books;

698 **(93) "Sport or recreational equipment", items designed for human use and worn**
699 **in conjunction with an athletic or recreational activity that are not suitable for general use.**
700 **Sport or recreational equipment are mutually exclusive of clothing, clothing accessories or**
701 **equipment, and protective equipment;**

702 **(94) "State", any state of the United States, the District of Columbia, and the**
703 **Commonwealth of Puerto Rico;**

704 **(95) "Storage", any keeping or retention in this state of tangible personal property**
705 **purchased from a vendor, except property for sale or property that is temporarily kept or**
706 **retained in this state for subsequent use outside the state;**

707 **(96) "Tangible personal property", personal property that can be seen, weighed,**
708 **measured, felt, or touched, or that is in any other manner perceptible to the senses.**
709 **Tangible personal property shall include electricity, water, gas, steam, and prewritten**
710 **computer software. Tangible personal property shall not include specified digital**
711 **products, digital audio-visual works, digital audio works, or digital books;**

712 ~~[(15) The noun "tax" means]~~

713 **(97) "Tax", either the tax payable by the purchaser of a commodity or service subject**
714 **to tax, or the aggregate amount of taxes due from the vendor of such commodities or services**
715 **during the period for which he or she is required to report his or her collections, as the context**
716 **may require; [and]**

717 **(98) "Taxpayer", any person remitting the tax or who should remit the tax levied**
718 **by this chapter;**

719 **(99) "Telecommunications nonrecurring charges", an amount billed for the**
720 **installation, connection, change, or initiation of telecommunications service received by the**
721 **customer;**

722 ~~[(16)] (100) "Telecommunications service" [, for the purpose of this chapter, the~~
723 ~~transmission of information by wire, radio, optical cable, coaxial cable, electronic impulses, or~~
724 ~~other similar means. As used in this definition, "information" means knowledge or intelligence~~
725 ~~represented by any form of writing, signs, signals, pictures, sounds, or any other symbols.~~
726 ~~Telecommunications service does not include the following if such services are separately stated~~
727 ~~on the customer's bill or on records of the seller maintained in the ordinary course of business:~~
728 ~~—— (a) Access to the internet, access to interactive computer services or electronic publishing~~
729 ~~services, except the amount paid for the telecommunications service used to provide such access;~~
730 ~~—— (b) Answering services and one-way paging services;~~
731 ~~—— (c) Private mobile radio services which are not two-way commercial mobile radio~~
732 ~~services such as wireless telephone, personal communications services or enhanced specialized~~
733 ~~mobile radio services as defined pursuant to federal law; or~~

734 ~~———(d) Cable or satellite television or music services] :~~

735 **(a) The electronic transmission, conveyance, or routing of voice, data, audio, video,**
736 **or any other information or signals to a point, or between or among points;**

737 **(b) "Telecommunications service" shall include such transmission, conveyance, or**
738 **routing in which computer processing applications are used to act on the form, code, or**
739 **protocol of the content for purposes of transmission, conveyance, or routing without regard**
740 **to whether such service is referred to as voice over internet protocol services or is classified**
741 **by the Federal Communications Commission as enhanced or value added;**

742 **(c) "Telecommunications service" shall include air-to-ground radiotelephone**
743 **service, mobile telecommunications service, post-paid calling service, prepaid calling**
744 **service, prepaid wireless calling service, and private communication service;**

745 **(d) "Telecommunications service" shall not include:**

746 **a. Data processing and information services that allow data to be generated,**
747 **acquired, stored, processed, or retrieved and delivered by an electronic transmission to a**
748 **purchaser where such purchaser's primary purpose for the underlying transaction is the**
749 **processed data or information;**

750 **b. Installation or maintenance of wiring or equipment on a customer's premises;**

751 **c. Tangible personal property;**

752 **d. Advertising including but not limited to directory advertising;**

753 **e. Billing and collection services provided to third parties;**

754 **f. Internet access service;**

755 **g. Radio and television audio and video programming services, regardless of the**
756 **medium, including the furnishing of transmission, conveyance, and routing of such services**
757 **by the programming service provider. Radio and television audio and video programming**
758 **services shall include, but not be limited to, cable service, as defined in 47 U.S.C. Section**
759 **522(6), and audio and video programming services delivered by commercial mobile radio**
760 **service providers, as defined in 47 CFR 20.3;**

761 **h. Ancillary services; or**

762 **i. Digital products delivered electronically including, but not limited to, software,**
763 **music, video, reading materials, or ring tones;**

764 **(101) "Transportation equipment", any of the following:**

765 **(a) Locomotives and railcars that are utilized for the carriage of persons or**
766 **property in interstate commerce;**

767 **(b) Trucks and truck-tractors with a gross vehicle weight rating (GVWR) of ten**
768 **thousand one pounds or greater, trailers, semi-trailers, or passenger buses that are:**

769 **a. Registered through the International Registration Plan; and**

770 **b. Operated under authority of a carrier authorized and certificated by the United**
771 **States Department of Transportation or another federal authority to engage in the carriage**
772 **of persons or property in interstate commerce;**

773 **(c) Aircraft that are operated by air carriers authorized and certificated by the**
774 **United States Department of Transportation or another federal or a foreign authority to**
775 **engage in the carriage of persons or property in interstate or foreign commerce; and**

776 **(d) Containers designed for use on and component parts attached or secured on the**
777 **items set forth in paragraphs (a) to (c) of this subdivision;**

778 **(102) "Tobacco", cigarettes, cigars, chewing or pipe tobacco, or any other item that**
779 **contains tobacco;**

780 **(103) "Use", the exercise of any right or power over tangible personal property**
781 **incident to the ownership or control of that property, except that it does not include the**
782 **temporary storage of property in this state for subsequent use outside the state, or the sale**
783 **of the property in the regular course of business;**

784 **(104) "Use-based exemption", an exemption based on a specified use of the product**
785 **by the purchaser;**

786 **(105) "Vendor", every person engaged in making sales of tangible personal**
787 **property by mail order, by advertising, by agent or peddling tangible personal property,**
788 **soliciting or taking orders for sales of tangible personal property, for storage, use, or**
789 **consumption in this state; all salesmen, solicitors, hawkers, representatives, consignees,**
790 **peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors,**
791 **principals, or employers under whom they operate or from whom they obtain the tangible**
792 **personal property sold by them; and every person who maintains a place of business in this**
793 **state, maintains a stock of goods in this state, or engages in business activities within this**
794 **state and every person who engages in this state in the business of acting as a selling agent**
795 **for persons not otherwise vendors as defined in this subdivision. Irrespective of whether**
796 **they are making sales on their own behalf or on behalf of the dealers, distributors,**
797 **consignors, supervisors, principals, or employers, they must be regarded as vendors and**
798 **the dealers, distributors, consignors, supervisors, principals, or employers must be**
799 **regarded as vendors for the purposes of sections 144.600 to 144.745.**

800 2. For purposes of the taxes imposed under sections 144.010 to 144.525, and any other
801 provisions of law pertaining to sales or use taxes which incorporate the provisions of sections
802 144.010 to 144.525 by reference, the term manufactured homes shall have the same meaning
803 given it in section 700.010.

804 ~~[3. Sections 144.010 to 144.525 may be known and quoted as the "Sales Tax Law".]~~

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, the tax levied and imposed pursuant to sections 144.010 to 144.525 and sections 144.600 to 144.746 on all retail sales of food, **food sold through vending machines, and food ingredients** shall be at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in the school district trust fund and shall be distributed as provided in section 144.701.

2. ~~[For the purposes of this section, the term "food" shall include only those products and types of food for which food stamps may be redeemed pursuant to the provisions of the Federal Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it may be amended hereafter, and shall include food dispensed by or through vending machines.~~ For the purpose of this section,] Except for **food sold through vending [machine sales, the term "food"] machines, subsection 1 of this section** shall not ~~[include]~~ **apply to** food or drink sold by any establishment where the gross receipts derived from the sale of food prepared by such establishment for immediate consumption on or off the premises of the establishment constitutes more than eighty percent of the total gross receipts of that establishment, regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café.

144.020. 1. A tax is hereby levied and imposed for the privilege of titling new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways or waters of this state which are required to be titled under the laws of the state of Missouri and, except as provided in subdivision (9) of this subsection, upon all sellers for the privilege of engaging in the business of selling tangible personal property or rendering taxable service at retail in this state. The rate of tax shall be as follows:

(1) Upon every retail sale in this state of tangible personal property, excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard motors required to be titled under the laws of the state of Missouri and subject to tax under subdivision (9) of this subsection, a tax equivalent to four percent of the purchase price paid or charged, or in case such sale involves the exchange of property, a tax equivalent to four percent of the consideration paid or charged, including the fair market value of the property exchanged at the time and place of the exchange, except as otherwise provided in section 144.025;

(2) A tax equivalent to four percent of the amount paid for admission and seating accommodations, or fees paid to, or in any place of amusement, entertainment or recreation, games and athletic events, except amounts paid for any instructional class;

(3) A tax equivalent to four percent of the basic rate paid or charged on all sales of electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or industrial consumers;

20 (4) A tax equivalent to four percent on the basic rate paid or charged on all sales of [~~local~~
21 ~~and long distance~~] telecommunications service to telecommunications subscribers and to others
22 through equipment of telecommunications subscribers for the transmission of messages and
23 conversations, **upon ancillary services** and upon the sale, rental or leasing of all equipment or
24 services pertaining or incidental thereto; except that, the payment made by telecommunications
25 subscribers or others, pursuant to section 144.060, and any amounts paid for access to the
26 internet or interactive computer services shall not be considered as amounts paid for
27 telecommunications services;

28 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of
29 services for transmission of messages of telegraph companies;

30 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms,
31 meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore,
32 dining car, tourist cabin, tourist camp or other place in which rooms, meals or drinks are
33 regularly served to the public. The tax imposed under this subdivision shall not apply to any
34 automatic mandatory gratuity for a large group imposed by a restaurant when such gratuity is
35 reported as employee tip income and the restaurant withholds income tax under section 143.191
36 on such gratuity;

37 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets
38 by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such
39 buses and trucks as are licensed by the division of motor carrier and railroad safety of the
40 department of economic development of Missouri, engaged in the transportation of persons for
41 hire;

42 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of
43 tangible personal property, provided that if the lessor or renter of any tangible personal property
44 had previously purchased the property under the conditions of sale at retail or leased or rented
45 the property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor,
46 renter or subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or
47 subrental receipts from that property. The purchase, rental or lease of motor vehicles, trailers,
48 motorcycles, mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid
49 as provided in this section and section 144.070. In no event shall the rental or lease of boats and
50 outboard motors be considered a sale, charge, or fee to, for or in places of amusement,
51 entertainment or recreation nor shall any such rental or lease be subject to any tax imposed to,
52 for, or in such places of amusement, entertainment or recreation. Rental and leased boats or
53 outboard motors shall be taxed under the provisions of the sales tax laws as provided under such
54 laws for motor vehicles and trailers. Tangible personal property which is exempt from the sales

55 or use tax under section 144.030 upon a sale thereof is likewise exempt from the sales or use tax
56 upon the lease or rental thereof;

57 (9) A tax equivalent to four percent of the purchase price, as defined in section 144.070,
58 of new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for
59 use on the highways or waters of this state which are required to be registered under the laws of
60 the state of Missouri. This tax is imposed on the person titling such property, and shall be paid
61 according to the procedures in section 144.440.

62 2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525
63 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the
64 words "This ticket is subject to a sales tax."

**144.022. 1. In the case of a bundled transaction that includes any of the following:
2 telecommunication service, ancillary service, internet access, or audio or video
3 programming service:**

4 (1) **If the price is attributable to products that are taxable and products that are
5 nontaxable, the portion of the price attributable to the nontaxable products may be subject
6 to tax unless the provider can identify by reasonable and verifiable standards such portion
7 from its books and records that are kept in the regular course of business for other
8 purposes, including, but not limited to, nontax purposes;**

9 (2) **If the price is attributable to products that are subject to tax at different tax
10 rates, the total price shall be treated as attributable to the products subject to tax at the
11 highest tax rate unless the provider can identify by reasonable and verifiable standards the
12 portion of the price attributable to the products subject to tax at the lower rate from its
13 books and records that are kept in the regular course of business for other purposes,
14 including, but not limited to, nontax purposes;**

15 (3) **The provisions of this section shall apply unless otherwise provided by federal
16 law.**

17 2. **In the case of a transaction that includes an optional computer software
18 maintenance contract for prewritten computer software, the following provisions apply:**

19 (1) **If an optional computer software maintenance contract only obligates the
20 vendor to provide upgrades and updates, it shall be characterized as a sale of prewritten
21 computer software;**

22 (2) **If an optional computer software maintenance contract only obligates the
23 vendor to provide support services, it shall be characterized as a sale of services and not
24 a sale of tangible personal property;**

25 (3) **If an optional computer software maintenance contract is a bundled transaction
26 in which both taxable and nontaxable or exempt products that are not separately itemized**

27 **on the invoice or similar billing document, the purchase price under the contract shall be**
28 **taxable.**

144.030. 1. There is hereby specifically exempted from the provisions of sections
2 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to
3 sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and
4 any other state of the United States, or between this state and any foreign country, and any retail
5 sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws
6 of the United States of America, and such retail sales of tangible personal property which the
7 general assembly of the state of Missouri is prohibited from taxing or further taxing by the
8 constitution of this state.

9 2. There are also specifically exempted from the provisions of the local sales tax law as
10 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to
11 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local
12 sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and
13 144.600 to 144.745:

14 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of
15 such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be
16 consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing
17 water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into
18 foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or
19 fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will
20 be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at
21 retail; economic poisons registered pursuant to the provisions of the Missouri pesticide
22 registration law (sections 281.220 to 281.310) which are to be used in connection with the
23 growth or production of crops, fruit trees or orchards applied before, during, or after planting,
24 the crop of which when harvested will be sold at retail or will be converted into foodstuffs which
25 are to be sold ultimately in processed form at retail;

26 (2) Materials, manufactured goods, machinery and parts which when used in
27 manufacturing, processing, compounding, mining, producing or fabricating become a component
28 part or ingredient of the new personal property resulting from such manufacturing, processing,
29 compounding, mining, producing or fabricating and which new personal property is intended to
30 be sold ultimately for final use or consumption; and materials, including without limitation,
31 gases and manufactured goods, including without limitation slagging materials and firebrick,
32 which are ultimately consumed in the manufacturing process by blending, reacting or interacting
33 with or by becoming, in whole or in part, component parts or ingredients of steel products
34 intended to be sold ultimately for final use or consumption;

35 (3) Materials, replacement parts and equipment purchased for use directly upon, and for
36 the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock
37 or aircraft engaged as common carriers of persons or property;

38 (4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers
39 pulled by such motor vehicles, that are actually used in the normal course of business to haul
40 property on the public highways of the state, and that are capable of hauling loads commensurate
41 with the motor vehicle's registered weight; and the materials, replacement parts, and equipment
42 purchased for use directly upon, and for the repair and maintenance or manufacture of such
43 vehicles. For purposes of this subdivision, motor vehicle and public highway shall have the
44 meaning as ascribed in section 390.020;

45 (5) Replacement machinery, equipment, and parts and the materials and supplies solely
46 required for the installation or construction of such replacement machinery, equipment, and
47 parts, used directly in manufacturing, mining, fabricating or producing a product which is
48 intended to be sold ultimately for final use or consumption; and machinery and equipment, and
49 the materials and supplies required solely for the operation, installation or construction of such
50 machinery and equipment, purchased and used to establish new, or to replace or expand existing,
51 material recovery processing plants in this state. For the purposes of this subdivision, a "material
52 recovery processing plant" means a facility that has as its primary purpose the recovery of
53 materials into a usable product or a different form which is used in producing a new product and
54 shall include a facility or equipment which are used exclusively for the collection of recovered
55 materials for delivery to a material recovery processing plant but shall not include motor vehicles
56 used on highways. For purposes of this section, the terms motor vehicle and highway shall have
57 the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials
58 within a manufacturing process or the use of a product previously recovered. The material
59 recovery processing plant shall qualify under the provisions of this section regardless of
60 ownership of the material being recovered;

61 (6) Machinery and equipment, and parts and the materials and supplies solely required
62 for the installation or construction of such machinery and equipment, purchased and used to
63 establish new or to expand existing manufacturing, mining or fabricating plants in the state if
64 such machinery and equipment is used directly in manufacturing, mining or fabricating a product
65 which is intended to be sold ultimately for final use or consumption;

66 (7) Tangible personal property which is used exclusively in the manufacturing,
67 processing, modification or assembling of products sold to the United States government or to
68 any agency of the United States government;

69 (8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

70 (9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and
71 other machinery, equipment, replacement parts and supplies used in producing newspapers
72 published for dissemination of news to the general public;

73 (10) The rentals of films, records or any type of sound or picture transcriptions for public
74 commercial display;

75 (11) Pumping machinery and equipment used to propel products delivered by pipelines
76 engaged as common carriers;

77 (12) Railroad rolling stock for use in transporting persons or property in interstate
78 commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or
79 more or trailers used by common carriers, as defined in section 390.020, in the transportation of
80 persons or property;

81 (13) Electrical energy used in the actual primary manufacture, processing, compounding,
82 mining or producing of a product, or electrical energy used in the actual secondary processing
83 or fabricating of the product, or a material recovery processing plant as defined in subdivision
84 (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical
85 energy so used exceeds ten percent of the total cost of production, either primary or secondary,
86 exclusive of the cost of electrical energy so used or if the raw materials used in such processing
87 contain at least twenty-five percent recovered materials as defined in section 260.200. There
88 shall be a rebuttable presumption that the raw materials used in the primary manufacture of
89 automobiles contain at least twenty-five percent recovered materials. For purposes of this
90 subdivision, "processing" means any mode of treatment, act or series of acts performed upon
91 materials to transform and reduce them to a different state or thing, including treatment necessary
92 to maintain or preserve such processing by the producer at the production facility;

93 (14) Anodes which are used or consumed in manufacturing, processing, compounding,
94 mining, producing or fabricating and which have a useful life of less than one year;

95 (15) Machinery, equipment, appliances and devices purchased or leased and used solely
96 for the purpose of preventing, abating or monitoring air pollution, and materials and supplies
97 solely required for the installation, construction or reconstruction of such machinery, equipment,
98 appliances and devices;

99 (16) Machinery, equipment, appliances and devices purchased or leased and used solely
100 for the purpose of preventing, abating or monitoring water pollution, and materials and supplies
101 solely required for the installation, construction or reconstruction of such machinery, equipment,
102 appliances and devices;

103 (17) Tangible personal property purchased by a rural water district;

104 (18) All amounts paid or charged for admission or participation or other fees paid by or
105 other charges to individuals in or for any place of amusement, entertainment or recreation, games

106 or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a
107 municipality or other political subdivision where all the proceeds derived therefrom benefit the
108 municipality or other political subdivision and do not inure to any private person, firm, or
109 corporation, provided, however, that a municipality or other political subdivision may enter into
110 revenue-sharing agreements with private persons, firms, or corporations providing goods or
111 services, including management services, in or for the place of amusement, entertainment or
112 recreation, games or athletic events, and provided further that nothing in this subdivision shall
113 exempt from tax any amounts retained by any private person, firm, or corporation under such
114 revenue-sharing agreement;

115 (19) All sales of ~~[insulin, and all sales, rentals, repairs, and parts of durable medical~~
116 ~~equipment, prosthetic devices, and orthopedic devices as defined on January 1, 1980, by the~~
117 ~~federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including~~
118 ~~the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids~~
119 ~~and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed~~
120 ~~pharmacist only upon a lawful prescription of a practitioner licensed to administer those items,~~
121 ~~including samples and materials used to manufacture samples which may be dispensed by a~~
122 ~~practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home~~
123 ~~respiratory equipment and accessories including parts, and hospital beds and accessories and~~
124 ~~ambulatory aids including parts, and all sales or rental of manual and powered wheelchairs~~
125 ~~including parts, and stairway lifts, Braille writers, electronic Braille equipment and, if purchased~~
126 ~~or rented by or on behalf of a person with one or more physical or mental disabilities to enable~~
127 ~~them to function more independently, all sales or rental of scooters including parts, and reading~~
128 ~~machines, electronic print enlargers and magnifiers, electronic alternative and augmentative~~
129 ~~communication devices, and items used solely to modify motor vehicles to permit the use of such~~
130 ~~motor vehicles by individuals with disabilities or sales of]~~ over-the-counter ~~[or nonprescription]~~
131 drugs to individuals with disabilities, **and all sales of drugs, including prescriptions, durable**
132 **medical equipment, prosthetic devices, mobility enhancing equipment, kidney dialysis**
133 **equipment, and enteral feeding systems**, and drugs required by the Food and Drug
134 Administration to meet the over-the-counter drug product labeling requirements in 21 CFR
135 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

136 (20) All sales made by or to religious and charitable organizations and institutions in
137 their religious, charitable or educational functions and activities and all sales made by or to all
138 elementary and secondary schools operated at public expense in their educational functions and
139 activities;

140 (21) All sales of aircraft to common carriers for storage or for use in interstate commerce
141 and all sales made by or to not-for-profit civic, social, service or fraternal organizations,

142 including fraternal organizations which have been declared tax-exempt organizations pursuant
143 to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or
144 charitable functions and activities and all sales made to eleemosynary and penal institutions and
145 industries of the state, and all sales made to any private not-for-profit institution of higher
146 education not otherwise excluded pursuant to subdivision (20) of this subsection or any
147 institution of higher education supported by public funds, and all sales made to a state relief
148 agency in the exercise of relief functions and activities;

149 (22) All ticket sales made by benevolent, scientific and educational associations which
150 are formed to foster, encourage, and promote progress and improvement in the science of
151 agriculture and in the raising and breeding of animals, and by nonprofit summer theater
152 organizations if such organizations are exempt from federal tax pursuant to the provisions of the
153 Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any
154 fair conducted by a county agricultural and mechanical society organized and operated pursuant
155 to sections 262.290 to 262.530;

156 (23) All sales made to any private not-for-profit elementary or secondary school, all sales
157 of feed additives, medications or vaccines administered to livestock or poultry in the production
158 of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for
159 food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber,
160 all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying
161 agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as
162 defined in section 142.028, natural gas, propane, and electricity used by an eligible new
163 generation cooperative or an eligible new generation processing entity as defined in section
164 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and
165 trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed
166 additives" means tangible personal property which, when mixed with feed for livestock or
167 poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term
168 "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted
169 pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark
170 the application of pesticides and herbicides for the production of crops, livestock or poultry. As
171 used in this subdivision, the term "farm machinery and equipment" means new or used farm
172 tractors and such other new or used farm machinery and equipment and repair or replacement
173 parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary
174 mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively,
175 solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants,
176 chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and
177 one-half of each purchaser's purchase of diesel fuel therefor which is:

- 178 (a) Used exclusively for agricultural purposes;
- 179 (b) Used on land owned or leased for the purpose of producing farm products; and
- 180 (c) Used directly in producing farm products to be sold ultimately in processed form or
181 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold
182 ultimately in processed form at retail;
- 183 (24) Except as otherwise provided in section 144.032, all sales of metered water service,
184 electricity, ~~[electrical current, natural, artificial or propane gas, wood, coal or home heating oil]~~
185 **piped natural or artificial gas, or other fuels delivered by the seller** for domestic use and in
186 any city not within a county, all sales of metered or unmetered water service for domestic use:
- 187 (a) "Domestic use" means that portion of metered water service, electricity, ~~[electrical~~
188 ~~current, natural, artificial or propane gas, wood, coal or home heating oil,]~~ **piped natural or**
189 **artificial gas, or other fuels delivered by the seller** and in any city not within a county, metered
190 or unmetered water service, which an individual occupant of a residential premises uses for
191 nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or
192 master meter for residential apartments or condominiums, including service for common areas
193 and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish
194 and maintain a system whereby individual purchases are determined as exempt or nonexempt;
- 195 (b) Regulated utility sellers shall determine whether individual purchases are exempt or
196 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file
197 with and approved by the Missouri public service commission. Sales and purchases made
198 pursuant to the rate classification "residential" and sales to and purchases made by or on behalf
199 of the occupants of residential apartments or condominiums through a single or master meter,
200 including service for common areas and facilities and vacant units, shall be considered as sales
201 made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales
202 tax upon the entire amount of purchases classified as nondomestic use. The seller's utility
203 service rate classification and the provision of service thereunder shall be conclusive as to
204 whether or not the utility must charge sales tax;
- 205 (c) Each person making domestic use purchases of ~~[services or property]~~ **electricity,**
206 **piped natural or artificial gas, or other fuels delivered by the seller** and who uses any portion
207 of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the
208 fourth month following the year of purchase, and without assessment, notice or demand, file a
209 return and pay sales tax on that portion of nondomestic purchases. Each person making
210 nondomestic purchases of ~~[services or property]~~ **electricity, piped natural or artificial gas, or**
211 **other fuels delivered by the seller** and who uses any portion of the ~~[services or property]~~
212 **electricity, piped natural or artificial gas, or other fuels delivered by the seller** so purchased
213 for domestic use, and each person making domestic purchases on behalf of occupants of

214 residential apartments or condominiums through a single or master meter, including service for
215 common areas and facilities and vacant units, under a nonresidential utility service rate
216 classification may, between the first day of the first month and the fifteenth day of the fourth
217 month following the year of purchase, apply for credit or refund to the director of revenue and
218 the director shall give credit or make refund for taxes paid on the domestic use portion of the
219 purchase. The person making such purchases on behalf of occupants of residential apartments
220 or condominiums shall have standing to apply to the director of revenue for such credit or refund;

221 (25) All sales of handicraft items made by the seller or the seller's spouse if the seller or
222 the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such
223 sales do not constitute a majority of the annual gross income of the seller;

224 (26) Excise taxes, collected on sales at retail, imposed by Sections 4041, ~~[4061,]~~ 4071,
225 4081, ~~[4091,]~~ 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director
226 of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales
227 taxes on such excise taxes;

228 (27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne
229 vessels which are used primarily in or for the transportation of property or cargo, or the
230 conveyance of persons for hire, on navigable rivers bordering on or located in part in this state,
231 if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while
232 it is afloat upon such river;

233 (28) All sales made to an interstate compact agency created pursuant to sections 70.370
234 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such
235 agency as provided pursuant to the compact;

236 (29) Computers, computer software and computer security systems purchased for use
237 by architectural or engineering firms headquartered in this state. For the purposes of this
238 subdivision, "headquartered in this state" means the office for the administrative management
239 of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

240 (30) All livestock sales when either the seller is engaged in the growing, producing or
241 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering
242 or leasing of such livestock;

243 (31) All sales of barges which are to be used primarily in the transportation of property
244 or cargo on interstate waterways;

245 (32) Electrical energy or gas, whether natural, artificial or propane, water, or other
246 utilities which are ultimately consumed in connection with the manufacturing of cellular glass
247 products or in any material recovery processing plant as defined in subdivision (5) of this
248 subsection;

249 (33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or
250 herbicides used in the production of crops, aquaculture, livestock or poultry;

251 (34) Tangible personal property and utilities purchased for use or consumption directly
252 or exclusively in the research and development of agricultural/biotechnology and plant genomics
253 products and prescription pharmaceuticals consumed by humans or animals;

254 (35) All sales of grain bins for storage of grain for resale;

255 (36) All sales of feed which are developed for and used in the feeding of pets owned by
256 a commercial breeder when such sales are made to a commercial breeder, as defined in section
257 273.325, and licensed pursuant to sections 273.325 to 273.357;

258 (37) All purchases by a contractor on behalf of an entity located in another state,
259 provided that the entity is authorized to issue a certificate of exemption for purchases to a
260 contractor under the provisions of that state's laws. For purposes of this subdivision, the term
261 "certificate of exemption" shall mean any document evidencing that the entity is exempt from
262 sales and use taxes on purchases pursuant to the laws of the state in which the entity is located.
263 Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's
264 exemption certificate as evidence of the exemption. If the exemption certificate issued by the
265 exempt entity to the contractor is later determined by the director of revenue to be invalid for any
266 reason [~~and the contractor has accepted the certificate in good faith~~], neither the contractor or the
267 exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result
268 of use of the invalid exemption certificate **unless the contractor fraudulently accepted the**
269 **certificate**. Materials shall be exempt from all state and local sales and use taxes when
270 purchased by a contractor for the purpose of fabricating tangible personal property which is used
271 in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the
272 following:

273 (a) An exempt entity located in this state, if the entity is one of those entities able to issue
274 project exemption certificates in accordance with the provisions of section 144.062; or

275 (b) An exempt entity located outside the state if the exempt entity is authorized to issue
276 an exemption certificate to contractors in accordance with the provisions of that state's law and
277 the applicable provisions of this section;

278 (38) All sales or other transfers of tangible personal property to a lessor who leases the
279 property under a lease of one year or longer executed or in effect at the time of the sale or other
280 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections
281 238.010 to 238.100;

282 (39) Sales of tickets to any collegiate athletic championship event that is held in a facility
283 owned or operated by a governmental authority or commission, a quasi-governmental agency,
284 a state university or college or by the state or any political subdivision thereof, including a

285 municipality, and that is played on a neutral site and may reasonably be played at a site located
286 outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that
287 is not located on the campus of a conference member institution participating in the event;

288 (40) All purchases by a sports complex authority created under section 64.920, and all
289 sales of utilities by such authority at the authority's cost that are consumed in connection with
290 the operation of a sports complex leased to a professional sports team;

291 (41) All materials, replacement parts, and equipment purchased for use directly upon,
292 and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants,
293 and aircraft accessories;

294 (42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or
295 similar places of business for use in the normal course of business and money received by a
296 shooting range or similar places of business from patrons and held by a shooting range or similar
297 place of business for redistribution to patrons at the conclusion of a shooting event;

298 (43) All sales of motor fuel, as defined in section 142.800, used in any watercraft, as
299 defined in section 306.010;

300 (44) Any new or used aircraft sold or delivered in this state to a person who is not a
301 resident of this state or a corporation that is not incorporated in this state, and such aircraft is not
302 to be based in this state and shall not remain in this state more than ten business days subsequent
303 to the last to occur of:

304 (a) The transfer of title to the aircraft to a person who is not a resident of this state or a
305 corporation that is not incorporated in this state; or

306 (b) The date of the return to service of the aircraft in accordance with 14 CFR 91.407 for
307 any maintenance, preventive maintenance, rebuilding, alterations, repairs, or installations that
308 are completed contemporaneously with the transfer of title to the aircraft to a person who is not
309 a resident of this state or a corporation that is not incorporated in this state;

310 (45) All internet access or the use of internet access regardless of whether the tax is
311 imposed on a provider of internet access or a buyer of internet access. For purposes of this
312 subdivision, the following terms shall mean:

313 (a) "Direct costs", costs incurred by a governmental authority solely because of an
314 internet service provider's use of the public right-of-way. The term shall not include costs that
315 the governmental authority would have incurred if the internet service provider did not make
316 such use of the public right-of-way. Direct costs shall be determined in a manner consistent with
317 generally accepted accounting principles;

318 (b) "Internet", computer and telecommunications facilities, including equipment and
319 operating software, that comprises the interconnected worldwide network that employ the

320 transmission control protocol or internet protocol, or any predecessor or successor protocols to
321 that protocol, to communicate information of all kinds by wire or radio;

322 (c) "Internet access", a service that enables users to connect to the internet to access
323 content, information, or other services without regard to whether the service is referred to as
324 telecommunications, communications, transmission, or similar services, and without regard to
325 whether a provider of the service is subject to regulation by the Federal Communications
326 Commission as a common carrier under 47 U.S.C. Section 201, et seq. For purposes of this
327 subdivision, internet access also includes: the purchase, use, or sale of communications services,
328 including telecommunications services as defined in section 144.010, to the extent the
329 communications services are purchased, used, or sold to provide the service described in this
330 subdivision or to otherwise enable users to access content, information, or other services offered
331 over the internet; services that are incidental to the provision of a service described in this
332 subdivision, when furnished to users as part of such service, including a home page, electronic
333 mail, and instant messaging, including voice-capable and video-capable electronic mail and
334 instant messaging, video clips, and personal electronic storage capacity; a home page electronic
335 mail and instant messaging, including voice-capable and video-capable electronic mail and
336 instant messaging, video clips, and personal electronic storage capacity that are provided
337 independently or that are not packed with internet access. As used in this subdivision, internet
338 access does not include voice, audio, and video programming or other products and services,
339 except services described in this paragraph or this subdivision, that use internet protocol or any
340 successor protocol and for which there is a charge, regardless of whether the charge is separately
341 stated or aggregated with the charge for services described in this paragraph or this subdivision;

342 (d) "Tax", any charge imposed by the state or a political subdivision of the state for the
343 purpose of generating revenues for governmental purposes and that is not a fee imposed for a
344 specific privilege, service, or benefit conferred, except as described as otherwise under this
345 subdivision, or any obligation imposed on a seller to collect and to remit to the state or a political
346 subdivision of the state any gross retail tax, sales tax, or use tax imposed on a buyer by such a
347 governmental entity. The term tax shall not include any franchise fee or similar fee imposed or
348 authorized under section 67.1830 or 67.2689; Section 622 or 653 of the Communications Act
349 of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section 573; or any other fee related to obligations
350 of telecommunications carriers under the Communications Act of 1934, 47 U.S.C. Section 151,
351 et seq., except to the extent that:

352 a. The fee is not imposed for the purpose of recovering direct costs incurred by the
353 franchising or other governmental authority from providing the specific privilege, service, or
354 benefit conferred to the payer of the fee; or

355 b. The fee is imposed for the use of a public right-of-way based on a percentage of the
356 service revenue, and the fee exceeds the incremental direct costs incurred by the governmental
357 authority associated with the provision of that right-of-way to the provider of internet access
358 service.

359

360 Nothing in this subdivision shall be interpreted as an exemption from taxes due on goods or
361 services that were subject to tax on January 1, 2016.

362 3. Any ruling, agreement, or contract, whether written or oral, express or implied,
363 between a person and this state's executive branch, or any other state agency or department,
364 stating, agreeing, or ruling that such person is not required to collect sales and use tax in this
365 state despite the presence of a warehouse, distribution center, or fulfillment center in this state
366 that is owned or operated by the person or an affiliated person shall be null and void unless it is
367 specifically approved by a majority vote of each of the houses of the general assembly. For
368 purposes of this subsection, an "affiliated person" means any person that is a member of the same
369 controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code of
370 1986, as amended, as the vendor or any other entity that, notwithstanding its form of
371 organization, bears the same ownership relationship to the vendor as a corporation that is a
372 member of the same controlled group of corporations as defined in Section 1563(a) of the
373 Internal Revenue Code, as amended.

144.032. The provisions of section 144.030 to the contrary notwithstanding, any city
2 imposing a sales tax under the provisions of sections 94.500 to 94.570, or any county imposing
3 a sales tax under the provisions of sections 66.600 to 66.635, or any county imposing a sales tax
4 under the provisions of sections 67.500 to 67.729, or any hospital district imposing a sales tax
5 under the provisions of section 205.205 may by ordinance impose a sales tax upon all sales of
6 ~~[metered water services,]~~ electricity, ~~[electrical current and natural, artificial or propane gas,~~
7 ~~wood, coal, or home heating oil]~~ **pipel natural or artificial gas, or other fuels delivered by**
8 **the seller** for domestic use only. Such tax shall be administered by the department of revenue
9 and assessed by the retailer in the same manner as any other city, county, or hospital district sales
10 tax. Domestic use shall be determined in the same manner as the determination of domestic use
11 for exemption of such sales from the state sales tax under the provisions of section 144.030.

144.049. 1. ~~[For purposes of this section, the following terms mean:~~

2 ~~—— (1) "Clothing", any article of wearing apparel, including footwear, intended to be worn~~
3 ~~on or about the human body. The term shall include but not be limited to cloth and other~~
4 ~~material used to make school uniforms or other school clothing. Items normally sold in pairs~~
5 ~~shall not be separated to qualify for the exemption. The term shall not include watches,~~

6 watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt
7 buckles; and

8 ~~————(2) "Personal computers", a laptop, desktop, or tower computer system which consists
9 of a central processing unit, random access memory, a storage drive, a display monitor, and a
10 keyboard and devices designed for use in conjunction with a personal computer, such as a disk
11 drive, memory module, compact disk drive, daughterboard, digitizer, microphone, modem,
12 motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user
13 operating system, soundcard, or video card;~~

14 ~~————(3) "School supplies", any item normally used by students in a standard classroom for
15 educational purposes, including but not limited to textbooks, notebooks, paper, writing
16 instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk,
17 maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting
18 equipment, portable or desktop telephones, copiers or other office equipment, furniture, or
19 fixtures. School supplies shall also include computer software having a taxable value of three
20 hundred fifty dollars or less and any graphing calculator having a taxable value of one hundred
21 fifty dollars or less.~~

22 ~~————2.] In each year beginning on or after January 1, 2005, there is hereby specifically
23 exempted from state **and local** sales tax law all retail sales of any article of clothing having a
24 taxable value of one hundred dollars or less[;] ; all retail sales of school supplies [not to exceed
25 fifty dollars per purchase,] ; **school art supplies, and school instructional materials;** all
26 **prewritten** all computer software with a taxable value of three hundred fifty dollars or less[; all
27 ~~graphing calculators having a taxable value of one hundred fifty dollars or less,] ; and all retail
28 sales of [personal] computers [or computer peripheral devices] **and school computer supplies**
29 not to exceed one thousand five hundred dollars **per item**, during a three-day period beginning
30 at 12:01 a.m. on the first Friday in August and ending at midnight on the Sunday following.
31 **Where a purchaser and seller are located in two different time zones, the time zone of the**
32 **seller's location shall determine the authorized exemption period.**~~~~

33 ~~[3. If the governing body of any political subdivision adopted an ordinance that applied
34 to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax
35 holiday to apply to such political subdivision's local sales tax, then, notwithstanding any
36 provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such
37 political subdivision's local sales tax. However, any such political subdivision may enact an
38 ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political
39 subdivision must notify the department of revenue not less than forty-five calendar days prior
40 to the beginning date of the sales tax holiday occurring in that year of any ordinance or order
41 rescinding an ordinance or order to opt out.~~

42 ———4.] 2. This section shall not apply to any sales which take place within the Missouri state
43 fairgrounds.

44 [5:] 3. This section applies to sales of items bought for personal use only.

45 [6. After the 2005 sales tax holiday, any political subdivision may, by adopting an
46 ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local
47 sales tax. After opting out, the political subdivision may rescind the ordinance or order. The
48 political subdivision must notify the department of revenue not less than forty-five calendar days
49 prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or
50 order rescinding an ordinance or order to opt out.

51 ———7.] 4. This section may not apply to any retailer when less than two percent of the
52 retailer's merchandise offered for sale qualifies for the sales tax holiday. The retailer [shall] **may**
53 offer a sales tax refund in lieu of the sales tax holiday.

54 **5. A sale of property which is eligible for an exemption under subsection 1 of this**
55 **section but is purchased under a layaway sale shall only qualify for an exemption if:**

56 **(1) Final payment on a layaway order is made by, and the property is given to, the**
57 **purchaser during the exemption period; or**

58 **(2) The purchaser selects the property and the seller accepts the order for the**
59 **property during the exemption period, for immediate delivery upon full payment, even if**
60 **delivery is made after the exemption period.**

61 **6. The exemption of a bundled transaction shall be calculated as provided by law**
62 **for all other bundled transactions.**

63 **7. (1) For any discount offered by a seller that is a reduction of the sales price of**
64 **the product, the discounted sales price shall determine whether the sales price falls below**
65 **the price threshold provided in subsection 1 of this section. A coupon that reduces the sales**
66 **price shall be treated as a discount only if the seller is not reimbursed for the coupon**
67 **amount by a third party.**

68 **(2) If a discount applies to the total amount paid by a purchaser rather than to the**
69 **sales price of a particular product and the purchaser has purchased both exempt property**
70 **and taxable property, the seller shall allocate the discount based on the total sales prices**
71 **of the taxable property compared to the total sales prices of all property sold in the same**
72 **transaction.**

73 **8. Items that are normally sold as a single unit shall continue to be sold in that**
74 **manner and shall not be priced separately and sold as individual items.**

75 **9. Items that are purchased during an exemption period but that are not delivered**
76 **to the purchaser until after the exemption period due to the item not being in stock shall**
77 **qualify for an exemption. The provisions of this subsection shall not apply to an item that**

78 was delivered during an exemption period but was purchased prior to or after the
79 exemption period.

80 **10. (1) If a purchaser purchases an item of eligible property during an exemption**
81 **period, but later exchanges the item for a similar eligible item after the exemption period,**
82 **no additional tax shall be due on the new item.**

83 **(2) If a purchaser purchases an item of eligible property during an exemption**
84 **period, but later returns the item after the exemption period and receives credit on the**
85 **purchase of a different nonexempt item, the appropriate sales tax shall be due on the sale**
86 **of the newly purchased item.**

87 **(3) If a purchaser purchases an item of eligible property before an exemption**
88 **period, but during the exemption period returns the item and receives credit on the**
89 **purchase of a different item of eligible property, no sales tax shall be due on the sale of the**
90 **new item if the new item is purchased during the exemption period.**

91 **(4) For a sixty-day period immediately following the end of the exemption period,**
92 **if a purchaser returns an exempt item, no credit for or refund of sales tax shall be given**
93 **unless the purchaser provides a receipt or invoice that shows tax was paid, or the seller has**
94 **sufficient documentation to show that tax was paid on the item being returned.**

95 **11. For items that require delivery, an item shall be considered exempt if:**

96 **(1) The item is both delivered to and paid for by the purchaser during the**
97 **exemption period; or**

98 **(2) The purchaser orders and pays for the item and the seller accepts the order**
99 **during the exemption period for immediate shipment, even if delivery is made after the**
100 **exemption period. For the purposes of this subdivision, a seller shall be considered to have**
101 **accepted an order when the seller has taken action to fill the order for immediate shipment.**
102 **Actions to fill an order shall include placement of an "in date" stamp on a mail order or**
103 **the assignment of an "order number" to a telephone order. An order shall be considered**
104 **for immediate shipment when the purchaser does not request delayed shipment. An order**
105 **shall be considered for immediate shipment notwithstanding a shipment that may be**
106 **delayed because of a backlog of orders or because an item is currently unavailable or on**
107 **back order.**

144.054. 1. As used in this section, the following terms mean:

2 (1) "Processing", any mode of treatment, act, or series of acts performed upon materials
3 to transform or reduce them to a different state or thing, including treatment necessary to
4 maintain or preserve such processing by the producer at the production facility;

5 (2) "Recovered materials", those materials which have been diverted or removed from
6 the solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent
7 separation and processing.

8 2. In addition to all other exemptions granted under this chapter, there is hereby
9 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
10 ~~144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010~~
11 ~~to 144.525 and 144.600 to 144.761,]~~ **this chapter and from the computation of the tax levied,**
12 **assessed, or payable under this chapter** electrical energy and gas, whether natural, artificial,
13 or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials
14 used or consumed in the manufacturing, processing, compounding, mining, or producing of any
15 product, or used or consumed in the processing of recovered materials, or used in research and
16 development related to manufacturing, processing, compounding, mining, or producing any
17 product. [~~The exemptions granted in this subsection shall not apply to local sales taxes as~~
18 ~~defined in section 32.085 and the provisions of this subsection shall be in addition to any state~~
19 ~~and local sales tax exemption provided in section 144.030.]~~

20 3. In addition to all other exemptions granted under this chapter, there is hereby
21 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
22 ~~144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from~~
23 ~~the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and~~
24 ~~144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section~~
25 ~~32.085]~~ **this chapter and from the computation of the tax levied, assessed, and payable**
26 **under this chapter**, all utilities, machinery, and equipment used or consumed directly in
27 television or radio broadcasting and all sales and purchases of tangible personal property,
28 utilities, services, or any other transaction that would otherwise be subject to the state or local
29 sales or use tax when such sales are made to or purchases are made by a contractor for use in
30 fulfillment of any obligation under a defense contract with the United States government, and
31 all sales and leases of tangible personal property by any county, city, incorporated town, or
32 village, provided such sale or lease is authorized under chapter 100, and such transaction is
33 certified for sales tax exemption by the department of economic development, and tangible
34 personal property used for railroad infrastructure brought into this state for processing,
35 fabrication, or other modification for use outside the state in the regular course of business.

36 4. In addition to all other exemptions granted under this chapter, there is hereby
37 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
38 ~~144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from~~
39 ~~the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and~~
40 ~~144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section~~

41 ~~32.085]~~ **this chapter and from the computation of the tax levied, assessed, and payable**
42 **under this chapter**, all sales and purchases of tangible personal property, utilities, services, or
43 any other transaction that would otherwise be subject to the state or local sales or use tax when
44 such sales are made to or purchases are made by a private partner for use in completing a project
45 under sections 227.600 to 227.669.

46 5. In addition to all other exemptions granted under this chapter, there is hereby
47 specifically exempted from the provisions of [~~sections 144.010 to 144.525 and 144.600 to~~
48 ~~144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from~~
49 ~~the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and~~
50 ~~144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section~~
51 ~~32.085,]~~ **this chapter and from the computation of the tax levied, assessed, and payable**
52 **under this chapter** all materials, manufactured goods, machinery and parts, electrical energy
53 and gas, whether natural, artificial or propane, water, coal and other energy sources, chemicals,
54 soaps, detergents, cleaning and sanitizing agents, and other ingredients and materials inserted by
55 commercial or industrial laundries to treat, clean, and sanitize textiles in facilities which process
56 at least five hundred pounds of textiles per hour and at least sixty thousand pounds per week.

144.060. **1.** It shall be the duty of every person making any purchase or receiving any
2 service upon which a tax is imposed by sections 144.010 to 144.510 to pay, to the extent possible
3 under the provisions of section 144.285, the amount of such tax to the person making such sale
4 or rendering such service. Any person who shall willfully and intentionally refuse to pay such
5 tax shall be guilty of a misdemeanor. The provisions of this section shall not apply to any person
6 making any purchase or sale of a motor vehicle subject to sales tax as provided by the Missouri
7 sales tax law, unless such person making the sale is a motor vehicle dealer authorized to collect
8 and remit sales tax pursuant to subsection 8 of section 144.070.

9 **2. A purchaser shall be relieved from any additional tax, interest, additions, or**
10 **penalties for failure to collect and remit the proper amount of tax owed on a purchase**
11 **subject to sales tax under chapter 144 if:**

12 **(1) A purchaser's seller or a certified service provider relied on erroneous data**
13 **provided by the director on tax rates, boundaries, taxing jurisdiction assignments, or in the**
14 **taxability matrix created under section 144.124;**

15 **(2) A purchaser holding a direct pay permit created under section 144.079 relied**
16 **on erroneous data provided by the director on tax rates, boundaries, taxing jurisdiction**
17 **assignments, or in the taxability matrix created under section 144.124;**

18 **(3) A purchaser using a database created under section 144.123 received erroneous**
19 **data provided by the director on tax rates, boundaries, or taxing jurisdiction assignments;**
20 **or**

21 **(4) A purchaser relied on erroneous data provided by the director in the taxability**
22 **matrix created under section 144.124.**

144.079. 1. The provisions of section 144.080 notwithstanding, the director shall
2 **promulgate rules to allow for the issuance of direct pay permits to purchasers. Purchasers**
3 **holding such a permit shall be permitted to purchase goods and services which are subject**
4 **to sales tax under chapter 144 without remitting payment of the tax to the seller at the time**
5 **of purchase. Such purchaser shall make a determination of the amount of tax owed and**
6 **shall report and remit such amount directly to the taxing jurisdiction.**

7 **2. The director shall promulgate rules to implement the provisions of this section.**
8 **Such rules shall include an application process for the issuance of a permit created under**
9 **this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,**
10 **that is created under the authority delegated in this section shall become effective only if**
11 **it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if**
12 **applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**
13 **and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,**
14 **to review, to delay the effective date, or to disapprove and annul a rule are subsequently**
15 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
16 **adopted after January 1, 2019, shall be invalid and void.**

 144.080. 1. Every person receiving any payment or consideration upon the sale of
2 property or rendering of service, subject to the tax imposed by the provisions of sections 144.010
3 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at
4 retail and is subject to the tax levied in section 144.020. The person shall be responsible not only
5 for the collection of the amount of the tax imposed on the sale or service to the extent possible
6 under the provisions of section 144.285, but shall, on or before the last day of the month
7 following each calendar quarterly period of three months, file a return with the director of
8 revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for
9 the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied
10 in section 144.020, except as provided in [~~subsections 2 and 3~~] **subsection 2** of this section. The
11 director of revenue may promulgate rules or regulations changing the filing and payment
12 requirements of sellers, but shall not require any seller to file and pay more frequently than
13 required in this section.

14 ~~2. [Where the aggregate amount levied and imposed upon a seller by section 144.020 is~~
15 ~~in excess of two hundred fifty dollars for either the first or second month of a calendar quarter,~~
16 ~~the seller shall file a return and pay such aggregate amount for such months to the director of~~
17 ~~revenue by the twentieth day of the succeeding month.~~

18 ———3.] Where the aggregate amount levied and imposed upon a seller by section 144.020 is
19 less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit
20 the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or
21 before January thirty-first of the succeeding year.

22 [4-] 3. The seller of any property or person rendering any service, subject to the tax
23 imposed by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property
24 or the recipient of the service to the extent possible under the provisions of section 144.285, but
25 the seller's inability to collect any part or all of the tax does not relieve the seller of the obligation
26 to pay to the state the tax imposed by section 144.020; except that the collection of the tax
27 imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided
28 in sections 144.070 and 144.440.

29 [5-] 4. Any person may advertise or hold out or state to the public or to any customer
30 directly that the tax or any part thereof imposed by sections 144.010 to 144.525, and required to
31 be collected by the person, will be assumed or absorbed by the person, provided that the amount
32 of tax assumed or absorbed shall be stated on any invoice or receipt for the property sold or
33 service rendered. Any person violating any of the provisions of this section shall be guilty of a
34 misdemeanor. This subsection shall not apply to any retailer prohibited from collecting and
35 remitting sales tax under section 66.630.

**144.082. 1. The director shall participate in an online registration system that will
2 allow sellers to register in this state and other member states.**

**3 2. By registering, the seller agrees to collect and remit sales and use taxes for all
4 taxable sales into this state as well as the other member states, including member states
5 joining after the seller's registration. Withdrawal or revocation of this state from the
6 agreement shall not relieve a seller of its responsibility to remit taxes previously or
7 subsequently collected on behalf of this state.**

**8 3. If the seller has a requirement to register prior to registering under the
9 agreement, such seller shall obtain a retail sales license under section 144.083 and register
10 under section 144.650.**

**11 4. Registration with the central registration system and the collection of sales and
12 use taxes in this state shall not be used as a factor in determining whether the seller has
13 nexus with this state for any tax at any time.**

144.083. 1. The director of revenue shall require all persons who are responsible for the
2 collection of taxes under the provisions of section 144.080 to procure a retail sales license at no
3 cost to the licensee which shall be prominently displayed at the licensee's place of business, and
4 the license is valid until revoked by the director or surrendered by the person to whom issued
5 when sales are discontinued. The director shall issue the retail sales license within ten working

6 days following the receipt of a properly completed application. Any person applying for a retail sales license or reinstatement of a revoked sales tax license who owes any tax under sections 144.010 to 144.510 or sections 143.191 to 143.261 must pay the amount due plus interest and penalties before the department may issue the applicant a license or reinstate the revoked license. All persons beginning business subsequent to August 13, 1986, and who are required to collect the sales tax shall secure a retail sales license prior to making sales at retail. Such license may, after ten days' notice, be revoked by the director of revenue only in the event the licensee shall be in default for a period of sixty days in the payment of any taxes levied under section 144.020 or sections 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event of revocation, the director of revenue may publish the status of the business account including the date of revocation in a manner as determined by the director.

2. The possession of a retail sales license and a statement from the department of revenue that the licensee owes no tax due under sections 144.010 to 144.510 or sections 143.191 to 143.261 shall be a prerequisite to the issuance or renewal of any city or county occupation license or any state license which is required for conducting any business where goods are sold at retail. The date of issuance on the statement that the licensee owes no tax due shall be no more than ninety days before the date of submission for application or renewal of the local license. The revocation of a retailer's license by the director shall render the occupational license or the state license null and void.

3. No person responsible for the collection of taxes under section 144.080 shall make sales at retail unless such person is the holder of a valid retail sales license. After all appeals have been exhausted, the director of revenue may notify the county or city law enforcement agency representing the area in which the former licensee's business is located that the retail sales license of such person has been revoked, and that any county or city occupation license of such person is also revoked. The county or city may enforce the provisions of this section, and may prohibit further sales at retail by such person.

4. In addition to the provisions of subsection 2 of this section, beginning January 1, 2009, the possession of a statement from the department of revenue stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to 144.510 shall also be a prerequisite to the issuance or renewal of any city or county occupation license or any state license required for conducting any business where goods are sold at retail. The statement of no tax due shall be dated no longer than ninety days before the date of submission for application or renewal of the city or county license.

~~[5. Notwithstanding any law or rule to the contrary, sales tax shall only apply to the sale price paid by the final purchaser and not to any off-invoice discounts or other pricing discounts or mechanisms negotiated between manufacturers, wholesalers, and retailers.]~~

144.084. 1. The director shall promulgate rules and regulations for remittance of
2 returns. Such rules shall:

3 (1) Allow for electronic payments by all remitters by both ACH credit and ACH
4 debit;

5 (2) Provide an alternative method for making "same day" payments if an electronic
6 funds transfer fails;

7 (3) Provide that if a due date falls on a Saturday, Sunday, or legal holiday in the
8 member state or on a day the Federal Reserve Bank is closed that prohibits a person from
9 being able to make a payment by ACH debit or credit, the taxes shall be due on the next
10 succeeding business day; and

11 (4) Require that any data that accompanies a remittance be formatted using
12 uniform tax type and payment type codes approved by the streamlined sales and use tax
13 governing board.

14 2. All model 1, model 2, and model 3 sellers shall file returns electronically. Any
15 model 1, model 2, or model 3 seller shall submit its sales and use tax returns in a simplified
16 format approved by the director at such times as may be prescribed by the director.

17 3. (1) The director shall make available to all sellers, regardless if the seller is
18 registered under the streamlined sales and use tax agreement, a simplified electronic return
19 that is in a form approved by the streamlined sales and use tax governing board and shall
20 contain only those fields approved by the governing board. Such simplified electronic
21 return shall contain two parts, with part one containing information relating to remittances
22 and allocations and part two containing information relating to exempt sales.

23 (2) The director shall not require the submission of part two information from a
24 model 4 seller that has no legal requirement to register in the state.

25 4. (1) Certified service providers shall file a simplified electronic return on behalf
26 of its model 1 sellers and shall be required to file part one of the simplified electronic
27 return at the times provided in sections 144.080 and 144.090. The director shall allow
28 model 1 sellers to file parts one and two of the simplified electronic return.

29 (2) Model 2 and model 3 sellers shall file a simplified electronic return at the times
30 provided in sections 144.080 and 144.090 for each taxing period for which they anticipate
31 making sales in the state. Such sellers shall file part two information:

32 (a) At the same time as the seller files part one information; or

33 (b) At the time of the final due date of part one information in a given calendar
34 year. A submission under this paragraph shall include data for all previous months of the
35 same calendar year and shall be presented as yearly totals.

36 **(3) The director shall allow model 4 sellers to file a simplified electronic return at**
37 **the times provided in sections 144.080 and 144.090. Such sellers shall file part two**
38 **information:**

39 **(a) At the same time as the seller files part one information; or**

40 **(b) At the time of the final due date of part one information in a given calendar**
41 **year. A submission under this paragraph shall include data for all previous months of the**
42 **same calendar year and shall be presented as yearly totals.**

43 **(4) Model 4 sellers that elect not to file a simplified electronic return shall file**
44 **returns in the form and at the times afforded to sellers not registered under the**
45 **streamlined sales and use tax agreement.**

46 **(5) The director shall allow sellers not registered under the streamlined sales and**
47 **use tax agreement that are registered in the state to file a simplified electronic return at the**
48 **times provided in sections 144.080 and 144.090. Such sellers shall file part two**
49 **information:**

50 **(a) At the same time as the seller files part one information; or**

51 **(b) At the time of the final due date of part one information in a given calendar**
52 **year. A submission under this paragraph shall include data for all previous months of the**
53 **same calendar year and shall be presented as yearly totals.**

54 **5. A seller that is registered under the streamlined sales and use tax agreement and**
55 **that has indicated at the time of registration that it anticipates making no sales which**
56 **would be sourced to the state under the streamlined sales and use tax agreement shall not**
57 **be required to file a return. A seller shall be disqualified for such exemption for any**
58 **quarter in which the seller makes any taxable sales in the state and shall file a return for**
59 **such quarter as provided in sections 144.080 and 144.090.**

60 **6. The director shall provide for a standardized transmission process that allows**
61 **for receipt of uniform tax returns and other formatted information. Such process shall**
62 **provide for the filing of separate returns for multiple legal entities in a single transmission**
63 **and shall not include any requirement for manual entry or input by a seller. The process**
64 **shall allow a certified service provider, a tax preparer, or any other entity authorized to**
65 **do so, to file returns for more than one seller in a single transmission. However, sellers**
66 **filing returns for multiple legal entities shall only do so for affiliated legal entities.**

67 **7. The director shall give notice to a seller registered under the streamlined sales**
68 **and use tax agreement that has no legal requirement to register in the state of a failure to**
69 **file a required return and shall provide such seller at least thirty days following such notice**
70 **to file a return prior to holding the seller liable for any penalties based on a failure to file**
71 **a timely return.**

144.100. 1. Every person making any taxable sales of property or service, except
2 transactions provided for in sections 144.070 and 144.440, individually or by duly authorized
3 officer or agent, shall make and file a written return with the director of revenue in such manner
4 as he may prescribe.

5 2. The returns shall be on blanks designed and furnished by the director of the
6 department of revenue and shall be filed at the times provided in sections 144.080 and 144.090.
7 The returns shall ~~[show the amount of gross receipts from sales of taxable property and services~~
8 ~~by the person and the amount of tax due thereon by that person during and for the period covered~~
9 ~~by the return]~~ state:

10 (1) **The name and address of the retailer;**

11 (2) **The total amount of gross sales of all tangible personal property and taxable**
12 **services rendered by the retailer during the period for which the return is made;**

13 (3) **The total amount received during the period for which the return is made on**
14 **charge and time sales of tangible personal property made and taxable services rendered**
15 **prior to the period for which the return is made;**

16 (4) **Deductions allowed by law from such total amount of gross sales and from total**
17 **amount received during the period for which the return is made on such charge and time**
18 **sales;**

19 (5) **Receipts during the period for which the return is made from the total amount**
20 **of sales of tangible personal property and taxable services rendered during such period in**
21 **the course of such business, after deductions allowed by law have been made;**

22 (6) **Receipts during the period for which the return is made from charge and time**
23 **sales of tangible personal property made and taxable services rendered prior to such**
24 **period in the course of such business, after deductions allowed by law have been made;**

25 (7) **Gross receipts during the period for which the return is made from sales of**
26 **tangible personal property and taxable services rendered in the course of such business**
27 **upon the basis of which the tax is imposed; and**

28 (8) **Such other pertinent information as the director may require.**

29 3. **In making such return, the retailer shall determine the market value of any**
30 **consideration, other than money, received in connection with the sale of any tangible**
31 **personal property in the course of the business and shall include such value in the return.**
32 **Such value shall be subject to review and revision by the director as hereinafter provided.**
33 **Refunds made by a retailer during the period for which the return is made on account of**
34 **tangible personal property returned to the retailer shall be allowed as a deduction under**
35 **subdivision (4) of subsection 2 of this section in case the retailer has included the receipts**
36 **from such sale in a return made by such retailer and paid taxes on such sale. The retailer**

37 shall, at the time of making such return, pay to the director the amount of tax owed, except
38 as otherwise provided in this section. The director may extend the time for making returns
39 and paying the tax required by this section for any period not to exceed sixty days under
40 such rules and regulations as the director of revenue may prescribe.

41 **4. The director shall only require a single tax return for each taxing period and**
42 **such return shall include only the taxing jurisdictions in which the seller makes sales**
43 **within the state.** With each return, the person shall remit to the director of revenue the full
44 amount of the tax due.

45 ~~[3-]~~ **5.** In case of charge and time sales the gross receipts thereof shall be included as
46 sales in the returns as and when payments are received by the person, without any deduction
47 therefrom whatsoever.

48 ~~[4-]~~ **6.** If an error or omission is discovered in a return or a change be necessary to show
49 the true facts, the error may be corrected, the omission supplied, or the change made in the return
50 next filed with the director for the filing period immediately following the filing period in which
51 the error was made or the omission occurred, as prescribed by law, except that no refund under
52 this chapter shall be allowed for any amount of tax paid by a seller which is based upon charges
53 incident to credit card discounts. Any other omission or error must be corrected by filing an
54 amended return for the erroneously reported period if the amount of tax is less than that
55 originally reported, or an additional return if the amount of tax is greater than that originally
56 reported. An additional return shall be deemed filed on the date the envelope in which it is
57 mailed is postmarked or the date it is received by the director, whichever is earlier. Any payment
58 of tax, interest, penalty or additions to tax shall be deemed filed on the date the envelope
59 containing the payment is postmarked or the date the payment is received by the director,
60 whichever is earlier. If a refund or credit results from the filing of an amended return, no refund
61 or credit shall be allowed unless an application for refund or credit is properly completed and
62 submitted to the director pursuant to section 144.190.

63 ~~[5-]~~ **7.** The amount of gross receipts from sales and the amount of tax due returned by
64 the person, as well as all matters contained in the return, is subject to review and revision in the
65 manner herein provided for the correction of the returns.

144.105. 1. A seller shall be allowed a deduction from taxable sales for bad debts
2 **attributable to taxable sales of such seller that have become uncollectable. Any deduction**
3 **taken that is attributed to bad debts shall not include interest.**

4 **2. The amount of the bad debt deduction shall be calculated pursuant to 26 U.S.C.**
5 **Section 166(b), except that such amount shall be adjusted to exclude financing charges or**
6 **interest, sales, or use taxes charged on the purchase price, uncollectable amounts on**

7 property that remain in the possession of the seller until the full purchase price is paid, and
8 expenses incurred in attempting to collect any debt or repossessed property.

9 **3. Bad debts may be deducted on the return for the period during which the bad**
10 **debt is written off as uncollectable in the seller's books and records and is eligible to be**
11 **deducted for federal income tax purposes. For purposes of this subsection, a seller who is**
12 **not required to file federal income tax returns may deduct a bad debt on a return filed for**
13 **the period in which the bad debt is written off as uncollectable in the seller's books and**
14 **records and would be eligible for a bad debt deduction for federal income tax purposes if**
15 **the seller was required to file a federal income tax return.**

16 **4. If a deduction is taken for a bad debt and the debt is subsequently collected in**
17 **whole or in part, the tax on the amount so collected shall be paid and reported on the**
18 **return filed for the period in which the collection is made.**

19 **5. When the amount of bad debt exceeds the amount of taxable sales for the period**
20 **during which the bad debt is written off, a refund claim may be filed by the seller within**
21 **the applicable statute of limitations for refund claim; however, the statute of limitations**
22 **shall be measured from the due date of the return on which the bad debt could first be**
23 **claimed.**

24 **6. Where filing responsibilities have been assumed by a certified service provider,**
25 **such service provider may claim, on behalf of the seller, any bad debt allowance provided**
26 **by this section. The certified service provider shall credit or refund the full amount of any**
27 **bad debt allowance or refund received to the seller.**

28 **7. For the purposes of reporting a payment received on a previously claimed bad**
29 **debt, any payments made on a debt or account shall first be applied proportionally to the**
30 **taxable price of the property or service and the sales tax thereon, and secondly to interest,**
31 **service charges, and any other charges.**

32 **8. In situations where the books and records of the seller, or certified service**
33 **provider on behalf of the seller, claiming the bad debt allowance support an allocation of**
34 **the bad debts among the member states, such an allocation shall be permitted.**

144.109. 1. Certified service providers providing services to model 1 sellers shall
2 **not be certified unless:**

3 **(1) The provider's system has been designed and tested to ensure the anonymity of**
4 **purchasers unless otherwise required by law;**

5 **(2) Personally identifiable information is only used and retained to the extent**
6 **necessary for the administration of model 1 with respect to exempt purchasers, and for the**
7 **identification of taxing jurisdictions;**

8 (3) The provider provides consumers with clear and conspicuous notice of its
9 information practices, including what information it collects; how it collects such
10 information; how it uses such information; how long, if at all, it retains such information;
11 and whether it discloses such information to the state. Such notice shall be satisfied by a
12 written privacy policy statement accessible by the public on the certified service provider's
13 website;

14 (4) The providers's collection, use, and retention of personally identifiable
15 information will be limited to that required by the state to ensure the validity of exemptions
16 from taxation that are claimed by reason of a purchaser's status or the intended use of the
17 goods or services purchased, and for the documentation of correct assignment of taxing
18 jurisdictions; and

19 (5) The provider provides adequate technical, physical, and administrative
20 safeguards so as to protect personally identifiable information from unauthorized access
21 and disclosure.

22 2. (1) When any personally identifiable information that has been collected and
23 retained is no longer required for the purposes set forth in subdivision (4) of subsection 1
24 of this section, such information shall no longer be retained by the state.

25 (2) When personally identifiable information regarding an individual is retained
26 by or on behalf of the state, the state shall provide reasonable access by such individual to
27 his or her own information in the state's possession, as well as a right to correct any
28 inaccurately recorded information.

29 (3) If anyone other than the state, or a person authorized by the state, seeks to
30 discover personally identifiable information of an individual, the state shall make a
31 reasonable and timely effort to notify the individual of such request.

32 3. The attorney general for the state of Missouri shall have the power to enforce the
33 provisions of this section.

144.110. 1. The state shall review software submitted to the streamlined sales and
2 use tax governing board for certification as a certified automated system (CAS) under
3 section 501 of the streamlined sales and use tax agreement. Such review shall include a
4 review to determine that the program adequately classifies the state's product-based
5 exemptions. Upon completion of the review, the state shall certify to the governing board
6 its acceptance of the classifications made by the system. The state shall relieve a certified
7 service provider (CSP) or model 2 seller from liability to this state and its local
8 jurisdictions for failure to collect sales or use taxes resulting from the CSP or model 2
9 seller's reliance on the certification provided by the state.

10 **2. The streamlined sales and use tax governing board and this state shall not be**
11 **responsible for classification of an item or transaction with the product-based exemptions.**
12 **The relief from liability provided in this section shall not be available for a CSP or model**
13 **2 seller that has incorrectly classified an item or transaction into a product-based**
14 **exemption certified by this state. This subsection shall not apply to the individual listing**
15 **of items or transactions within a product definition approved by the governing board or**
16 **the state.**

17 **3. If the state determines that an item or transaction is incorrectly classified as to**
18 **its taxability, it shall notify the CSP or model 2 seller of the incorrect classification. The**
19 **CSP or model 2 seller shall have ten days to revise the classification after receipt of notice**
20 **from the state of the determination. Upon expiration of the ten days, such CSP or model**
21 **2 seller shall be liable for failure to collect the correct amount of sales or use taxes due and**
22 **owing to the state.**

144.111. 1. (1) All retail sales in Missouri, excluding leases and rentals, of tangible
2 **personal property or digital goods shall be sourced to the location where the order is**
3 **received by the seller.**

4 **(2) This subsection shall apply only if:**

5 **(a) The location where the order is received by the seller and the location where the**
6 **purchaser receives the product are both in Missouri;**

7 **(b) The location where receipt of the product by the purchaser occurs is determined**
8 **in accordance with subsection 2 of this section; and**

9 **(c) At the time the order is received, the recordkeeping system of the seller used to**
10 **calculate the proper amount of sales or use tax to be imposed captures the location where**
11 **the order is received.**

12 **(3) When the sale is sourced under this section to the location where the order is**
13 **received by the seller, only the sales tax for the location where the order is received by the**
14 **seller may be levied. No additional sales or use tax based on the location where the product**
15 **is delivered to the purchaser may be levied on that sale. The purchaser shall not be entitled**
16 **to any refund if the combined state and local rate or rates at the location where the product**
17 **is received by the purchaser is lower than the rate where the order is received by the seller.**

18 **(4) A purchaser shall have no additional liability to the state for tax, penalty, or**
19 **interest on a sale for which the purchaser remits tax to the seller in the amount invoiced**
20 **by the seller if such invoice amount is calculated at either the rate applicable to the location**
21 **where receipt by the purchaser occurs or at the rate applicable to the location where the**
22 **order is received by the seller. A purchaser may rely on a written representation by the**
23 **seller as to the location where the order for such sale was received by the seller. When the**

24 purchaser does not have a written representation by the seller as to the location where the
25 order for such sale was received by the seller, the purchaser may use a location indicated
26 by a business address for the seller that is available from the business records of the
27 purchaser that are maintained in the ordinary course of the purchaser's business to
28 determine the rate applicable to the location where the order was received.

29 (5) The location where the order is received by or on behalf of the seller means the
30 physical location of a seller or third party such as an established outlet, office location, or
31 automated order receipt system operated by or on behalf of the seller where an order is
32 initially received by or on behalf of the seller and not where the order may be subsequently
33 accepted, completed, or fulfilled. An order is received when all of the information from the
34 purchaser necessary to the determination whether the order can be accepted has been
35 received by or on behalf of the seller. The location from which a product is shipped shall
36 not be used in determining the location where the order is received by the seller.

37 (6) When taxable services are sold with tangible personal property or digital
38 products pursuant to a single contract or in the same transaction, are billed on the same
39 billing statement or statements, and, because of the application of this section, would be
40 sourced to different jurisdictions, this subsection shall apply to determine the source for
41 tax.

42 2. Except as provided in section 144.112, when the location where the order is
43 received by the seller and the location where the receipt of the product by the purchaser
44 or the purchaser's donee, designated as such by the purchaser, occurs in different states,
45 the retail sale, excluding lease or rental, of a product shall be sourced as follows:

46 (1) When the product is received by the purchaser at a business location of the
47 seller, the sale shall be sourced to such business location;

48 (2) When the product is not received by the purchaser at a business location of the
49 seller, the sale shall be sourced to the location where receipt by the purchaser or the
50 purchaser's donee, designated as such by the purchaser, occurs, including the location
51 indicated by instructions for delivery to the purchaser or donee, known to the seller;

52 (3) When subdivisions (1) and (2) of this subsection do not apply, the sale shall be
53 sourced to the location indicated by an address for the purchaser that is available from the
54 business records of the seller that are maintained in the ordinary course of the seller's
55 business when use of this address does not constitute bad faith;

56 (4) When subdivisions (1), (2), and (3) of this subsection do not apply, the sale shall
57 be sourced to the location indicated by an address for the purchaser obtained during the
58 consummation of the sale, including the address of a purchaser's payment instrument, if
59 no other address is available, when use of this address does not constitute bad faith;

60 **(5) When none of the previous rules of subdivisions (1), (2), (3), and (4) of this**
61 **subsection apply, including the circumstances in which the seller is without sufficient**
62 **information to apply the previous rules, then the location shall be determined by the**
63 **address from which tangible personal property was shipped, from which the digital good**
64 **or computer software delivered electronically was first available for transmission from the**
65 **seller, or from which the service was provided, disregarding for these purposes any**
66 **location that merely provided the digital transfer of the product sold.**

67 **3. Notwithstanding subsections 1 and 2 of this section, all sales of motor vehicles,**
68 **trailers, semi-trailers, watercraft, outboard motors, and aircraft that do not qualify as**
69 **transportation equipment shall be sourced to the address of the owner thereof.**

70 **4. The lease or rental of tangible personal property, other than property identified**
71 **in subsection 2 or 3 of this section or transactions regulated under sections 407.660 to**
72 **407.665, shall be sourced as follows:**

73 **(1) For a lease or rental that requires recurring periodic payments, the first**
74 **periodic payment is sourced the same as a retail sale in accordance with the provisions of**
75 **subsection 2 of this section. Periodic payments made subsequent to the first payment are**
76 **sourced to the primary property location for each period covered by the payment. The**
77 **primary property location shall be as indicated by an address for the property provided**
78 **by the lessee that is available to the lessor from its records maintained in the ordinary**
79 **course of business, when use of this address does not constitute bad faith. The property**
80 **location shall not be altered by intermittent use at different locations, such as use of**
81 **business property that accompanies employees on business trips and service calls;**

82 **(2) For a lease or rental that does not require recurring periodic payments, the**
83 **payment is sourced the same as a retail sale in accordance with the provisions of subsection**
84 **2 of this section;**

85 **(3) This subsection does not affect the imposition or computation of sales or use tax**
86 **on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of**
87 **property for lease.**

88 **5. The lease or rental of motor vehicles, trailers, semi-trailers, or aircraft that do**
89 **not qualify as transportation equipment, as defined in section 144.010, shall be sourced as**
90 **follows:**

91 **(1) For a lease or rental that requires recurring periodic payments, each periodic**
92 **payment is sourced to the primary property location. The primary property location shall**
93 **be as indicated by an address for the property provided by the lessee that is available to**
94 **the lessor from its records maintained in the ordinary course of business, when use of such**

95 address does not constitute bad faith. Such location shall not be altered by intermittent use
96 at different locations;

97 (2) For a lease or rental that does not require recurring periodic payments, the
98 payment is sourced the same as a retail sale in accordance with the provisions of subsection
99 2 of this section;

100 (3) This subsection does not affect the imposition or computation of sales or use tax
101 on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of
102 property for lease.

103 6. The retail sale, including lease or rental, of transportation equipment shall be
104 sourced the same as a retail sale in accordance with the provisions of subsection 2 of this
105 section, notwithstanding the exclusion of lease or rental in subsection 2 of this section.

144.112. 1. The retail sale of a product shall be sourced in accordance with section
2 144.111. The provisions of section 144.111 shall apply regardless of the characterization
3 of a product as tangible personal property, a digital good, or a service. The provisions of
4 section 144.111 shall only apply to determine a seller's obligation to pay or collect and
5 remit sales or use tax with respect to the seller's retail sale of a product. The provisions of
6 this subsection shall not affect the obligation of a purchaser or lessee to remit tax on the
7 use of the product to the taxing jurisdictions of that use.

8 2. Section 144.111 shall not apply to sales or use taxes levied on the following:

9 (1) Retail sales or transfers of watercraft, modular homes, manufactured homes,
10 or mobile homes; and

11 (2) Telecommunications services and ancillary services.

144.113. 1. (1) A purchaser of advertising and promotional direct mail may
2 provide the seller with either:

3 (a) A direct pay permit;

4 (b) An agreement certificate of exemption claiming direct mail, or other written
5 statement approved, authorized, or accepted by the state; or

6 (c) Information showing the jurisdictions to which the advertising and promotional
7 direct mail is to be delivered to recipients.

8 (2) If the purchaser provides the permit, certificate, or statement referred to in
9 paragraph (a) or (b) of subdivision (1) of this subsection, the seller, in the absence of bad
10 faith, is relieved of all obligations to collect, pay, or remit any tax on any transaction
11 involving advertising and promotional direct mail to which the permit, certificate, or
12 statement applies. The purchaser shall source the sale to the jurisdictions to which the
13 advertising and promotional direct mail is to be delivered to the recipients and shall report
14 and pay any applicable tax due.

15 **(3) If the purchaser provides the seller information showing the jurisdictions to**
16 **which the advertising and promotional direct mail is to be delivered to recipients, the seller**
17 **shall source the sale to the jurisdictions to which the advertising and promotional direct**
18 **mail is to be delivered and shall collect and remit the applicable tax. In the absence of bad**
19 **faith, the seller is relieved of any further obligation to collect any additional tax on the sale**
20 **of advertising and promotional direct mail where the seller has sourced the sale according**
21 **to the delivery information provided by the purchaser.**

22 **(4) If the purchaser does not provide the seller with any of the items listed in**
23 **paragraph (a), (b), or (c) of subdivision (1) of this subsection, the sale shall be sourced**
24 **according to subdivision (5) of subsection 2 of section 144.111. The state to which the**
25 **advertising and promotional direct mail is delivered may disallow credit for tax paid on**
26 **sales sourced under this subdivision.**

27 **(5) Notwithstanding section 144.111, this subsection shall apply to sales of**
28 **advertising and promotional direct mail.**

29 **2. (1) Except as otherwise provided in this subsection, sales of other direct mail are**
30 **sourced in accordance with subdivision (3) of subsection 2 of section 144.111.**

31 **(2) A purchaser of other direct mail may provide the seller with either:**

32 **(a) A direct pay permit; or**

33 **(b) An agreement certificate of exemption claiming direct mail, or other written**
34 **statement approved, authorized, or accepted by the state.**

35 **(3) If the purchaser provides the permit, certificate, or statement referred to in**
36 **paragraph (a) or (b) of subdivision (2) of this subsection, the seller, in the absence of bad**
37 **faith, is relieved of all obligations to collect, pay, or remit any tax on any transaction**
38 **involving other direct mail to which the permit, certificate, or statement applies.**
39 **Notwithstanding subdivision (1) of this subsection, the sale shall be sourced to the**
40 **jurisdictions to which the other direct mail is to be delivered to the recipients and the**
41 **purchaser shall report and pay applicable tax due.**

42 **(4) Notwithstanding section 144.111, this subsection shall apply to sales of other**
43 **direct mail.**

44 **3. (1) (a) This section applies to a transaction characterized under state law as the**
45 **sale of services only if the service is an integral part of the production and distribution of**
46 **printed material that meets the definition of direct mail.**

47 **(b) This section does not apply to any transaction that includes the development of**
48 **billing information or the provision of any data processing service that is more than**
49 **incidental, regardless of whether advertising and promotional direct mail is included in the**
50 **same mailing.**

51 **(2) If a transaction is a bundled transaction that includes advertising and**
 52 **promotion direct mail, this section applies only if the primary purpose of the transaction**
 53 **is the sale of products or services that meet the definition of advertising and promotional**
 54 **direct mail.**

55 **(3) Nothing in this section shall limit any purchaser's:**

56 **(a) Obligation for sales or use tax to any state to which the direct mail is delivered;**

57 **(b) Right under local, state, federal, or constitutional law to a credit for sales or use**
 58 **taxes legally due and paid to other jurisdictions; or**

59 **(c) Right to a refund of sales or use taxes overpaid to any jurisdiction.**

60 **(4) This section applies for purposes of uniformly sourcing direct mail transactions**
 61 **and does not impose requirements on states regarding the taxation of products that meet**
 62 **the definition of direct mail or to the application of sales for resale or other exemptions.**

~~[144.043.] 144.114. 1. [As used in this section, the following terms mean:~~

2 ~~———(1) "Light aircraft", a light airplane that seats no more than four persons, with a gross~~
 3 ~~weight of three thousand pounds or less, which is primarily used for recreational flying or flight~~
 4 ~~training;~~

5 ~~———(2) "Light aircraft kit", factory manufactured parts and components, including engine,~~
 6 ~~propeller, instruments, wheels, brakes, and air frame parts which make up a complete aircraft kit~~
 7 ~~or partial kit designed to be assembled into a light aircraft and then operated by a qualified~~
 8 ~~purchaser for recreational and educational purposes;~~

9 ~~———(3) "Parts and components", manufactured light aircraft parts, including air frame and~~
 10 ~~engine parts, that are required by the qualified purchaser to complete a light aircraft kit, or spare~~
 11 ~~or replacement parts for an already completed light aircraft;~~

12 ~~———(4) "Qualified purchaser", a purchaser of a light aircraft, light aircraft kit, parts or~~
 13 ~~components who is nonresident of this state, who will transport the light aircraft, light aircraft~~
 14 ~~kit, parts or components outside this state within ten days after the date of purchase, and who will~~
 15 ~~register any light aircraft so purchased in another state or country. Such purchaser shall not base~~
 16 ~~such aircraft in this state and such purchaser shall not be a resident of the state unless such~~
 17 ~~purchaser has paid sales or use tax on such aircraft in another state.~~

18 ~~——— 2. In addition to the exemptions granted under the provisions of section 144.030, there~~
 19 ~~shall also be specifically exempted from the provisions of sections 144.010 to 144.525, sections~~
 20 ~~144.600 to 144.748, section 238.235, and from the provisions of any local sales tax law, as~~
 21 ~~defined in section 32.085, and from the computation of the tax levied, assessed or payable under~~
 22 ~~sections 144.010 to 144.525, sections 144.600 to 144.748, section 238.235, and under any local~~
 23 ~~sales tax law, as defined in section 32.085, all sales of new light aircraft, light aircraft kits, parts~~
 24 ~~or components manufactured or substantially completed within this state, when such new light~~

25 ~~aircraft, light aircraft kits, parts or components are sold by the manufacturer to a qualified~~
26 ~~purchaser. The director of revenue shall prescribe the manner for a purchaser of a light aircraft,~~
27 ~~light aircraft kit, parts or components to establish that such person is a qualified purchaser and~~
28 ~~is eligible for the exemption established in this section]~~ **Except for the defined**
29 **telecommunication services in subsection 3 of this section, the sale of telecommunication**
30 **service sold on a call-by-call basis shall be sourced to:**

31 **(1) Each level of taxing jurisdiction where the call originates and terminates in that**
32 **jurisdiction; or**

33 **(2) Each level of taxing jurisdiction where the call either originates or terminates**
34 **and in which the service address is also located.**

35 **2. Except for the defined telecommunication services in subsection 3 of this section,**
36 **a sale of telecommunications services sold on a basis other than a call-by-call basis, is**
37 **sourced to the customer's place of primary use.**

38 **3. The sale of the following telecommunication services shall be sourced to each**
39 **level of taxing jurisdiction as follows:**

40 **(1) A sale of mobile telecommunications services other than air-to-ground**
41 **radiotelephone service and prepaid calling service, is sourced to the customer's place of**
42 **primary use as required by the Mobile Telecommunications Sourcing Act;**

43 **(2) A sale of post-paid calling service is sourced to the origination point of the**
44 **telecommunications signal as first identified by either:**

45 **(a) The seller's telecommunications system; or**

46 **(b) Information received by the seller from its service provider, where the system**
47 **used to transport such signals is not that of the seller;**

48 **(3) A sale of prepaid calling service or a sale of a prepaid wireless calling service**
49 **is sourced in accordance with section 144.111, provided however, in the case of a sale of**
50 **prepaid wireless calling service, the rule provided in subdivision (5) of subsection 2 of**
51 **section 144.111 shall include as an option the location associated with the mobile telephone**
52 **number;**

53 **(4) A sale of a private communication service is sourced as follows:**

54 **(a) Service for a separate charge related to a customer channel termination point**
55 **is sourced to each level of jurisdiction in which such customer channel termination point**
56 **is located;**

57 **(b) Service where all customer termination points are located entirely within one**
58 **jurisdiction or levels of jurisdiction is sourced in such jurisdiction in which the customer**
59 **channel termination points are located;**

60 (c) Service for segments of a channel between two customer channel termination
61 points located in different jurisdictions and which segments of a channel are separately
62 charged is sourced fifty percent in each level of jurisdiction in which the customer channel
63 termination points are located; and

64 (d) Service for segments of a channel located in more than one jurisdiction or levels
65 of jurisdiction and which segments are not separately billed is sourced in each jurisdiction
66 based on the percentage determined by dividing the number of customer channel
67 termination points in such jurisdiction by the total number of customer channel
68 termination points.

69 4. The sale of internet access service is sourced to the customer's place of primary
70 use.

71 5. The sale of an ancillary service is sourced to the customer's place of primary use.

144.123. 1. The director shall provide and maintain a database that describes
2 boundary changes for all taxing jurisdictions and the effective dates of such changes for
3 sales and use tax purposes.

4 2. The director shall provide and maintain a database of all sales and use tax rates
5 for all taxing jurisdictions. For the identification of counties and cities, codes
6 corresponding to the rates shall be provided according to Federal Information Processing
7 Standards (FIPS) as developed by the National Institute of Standards and Technology. For
8 the identification of all other jurisdictions, codes corresponding to the rates shall be in a
9 format determined by the director.

10 3. The director shall provide and maintain a database that assigns each five- and
11 nine-digit ZIP code to the proper rates and taxing jurisdictions. The lowest combined tax
12 rate imposed in the ZIP code area shall apply if the area includes more than one tax rate
13 in any level of taxing jurisdiction. If a nine-digit ZIP code designation is not available for
14 a street address, or if a seller or a certified service provider (CSP) is unable to determine
15 the nine-digit ZIP code designation applicable to a purchase after exercising due diligence
16 to determine the designation, the seller or CSP may apply the rate for the five-digit ZIP
17 code area. For purposes of this section, there shall be a rebuttable presumption that a
18 seller or CSP has exercised due diligence if the seller has attempted to determine the nine-
19 digit ZIP code designation by utilizing software approved by the governing board that
20 makes this designation from the street address and the five-digit ZIP code applicable to a
21 purchase.

22 4. The director may provide address-based boundary database records for
23 assigning taxing jurisdictions and associated rates which shall be in addition to the
24 requirements of subsection 3 of this section. The database records shall be in the same

25 approved format as the database records required under subsection 3 of this section and
26 shall meet the requirements developed pursuant to the federal Mobile Telecommunications
27 Sourcing Act, 4 U.S.C. Section 119(a). If the director develops address-based assignment
28 database records pursuant to the agreement, sellers that register under the agreement shall
29 be required to use such database. A seller or CSP shall use such database records in place
30 of the five- and nine-digit ZIP code database records provided for in subsection 3 of this
31 section. If a seller or CSP is unable to determine the applicable rate and jurisdiction using
32 an address-based database record after exercising due diligence, the seller or CSP may
33 apply the nine-digit ZIP code designation applicable to a purchase. If a nine-digit ZIP code
34 designation is not available for a street address or if a seller or CSP is unable to determine
35 the nine-digit ZIP code designation applicable to a purchase after exercising due diligence
36 to determine the designation, the seller or CSP may apply the rate for the five-digit ZIP
37 code area. For the purposes of this section, there shall be a rebuttable presumption that
38 a seller or CSP has exercised due diligence if the seller or CSP has attempted to determine
39 the tax rate and jurisdiction by utilizing software approved by the director and makes the
40 assignment from the address and ZIP code information applicable to the purchase. If the
41 director has met the requirements of subsection 3 of this section, the director may also elect
42 to certify vendor provided address-based databases for assigning tax rates and
43 jurisdictions. The databases shall be in the same approved format as the database records
44 under this section and meet the requirements developed pursuant to the federal Mobile
45 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the director certifies a
46 vendor address-based database, a seller or CSP may use such database in place of the
47 database provided for in this subsection.

48 5. The electronic databases provided for in subsections 1, 2, 3, and 4 of this section
49 shall be in downloadable format as determined by the director. The databases may be
50 directly provided by the director or provided by a vendor as designated by the director.
51 A database provided by a vendor as designated by the director shall be applicable and
52 subject to the provisions of section 144.1031 and this section. The databases shall be
53 provided at no cost to the user of the database. The provisions of subsections 3 and 4 of
54 this section shall not apply when the purchased product is received by the purchaser at the
55 business location of the seller.

56 6. No seller or CSP shall be liable for reliance upon erroneous data provided by the
57 director on tax rates, boundaries, or taxing jurisdiction assignments.

144.124. 1. The director shall complete a taxability matrix. The state's entries in
2 the matrix shall be provided and maintained by the director in a database that is in a
3 downloadable format.

4 **2. The director shall provide reasonable notice of changes in the taxability of the**
5 **products or services listed in the taxability matrix.**

6 **3. A seller or CSP shall be relieved from liability to this state or any local taxing**
7 **jurisdiction for having charged and collected the incorrect amount of state or local sales**
8 **or use tax resulting from such seller's or CSP's reliance upon erroneous data provided by**
9 **the director in the taxability matrix.**

144.125. 1. (1) Amnesty shall be granted for uncollected or unpaid sales or use tax
2 **to a seller who registers to pay or to collect and remit applicable sales or use tax on sales**
3 **made to purchasers in this state in accordance with the terms of the agreement, provided**
4 **that the seller was not so registered in this state in the twelve-month period preceding the**
5 **effective date of this state's participation in the agreement.**

6 **(2) Amnesty shall preclude assessment for uncollected or unpaid sales or use tax**
7 **together with penalty or interest for sales made during the period the seller was not**
8 **registered in this state, provided registration occurs within twelve months of the effective**
9 **date of this state's participation in the agreement.**

10 **(3) Amnesty shall be provided if this state joins the agreement after the seller has**
11 **registered.**

12 **2. Amnesty shall not be available to a seller with respect to any matter or matters**
13 **for which the seller received notice of the commencement of an audit and which audit is**
14 **not yet finally resolved, including any related administrative and judicial processes. The**
15 **amnesty shall not be available for sales or use taxes already paid or remitted to this state**
16 **or to taxes collected by the seller.**

17 **3. Amnesty provided under this section shall be fully effective, absent the seller's**
18 **fraud or intentional misrepresentation of a material fact, as long as the seller continues**
19 **registration and payment or collection and remittance of applicable sales or use taxes for**
20 **a period of at least thirty-six months. The statute of limitations applicable to asserting a**
21 **tax liability during this thirty-six month period shall be tolled.**

22 **4. Amnesty provided under this section shall be applicable only to sales or use taxes**
23 **due from a seller in its capacity as a seller and not to sales or use taxes due from a seller in**
24 **its capacity as a purchaser.**

25 **5. The provisions of this section shall become effective as of the date that the state**
26 **joins and becomes a member state of the agreement.**

144.140. 1. From every remittance to the director of revenue made on or before the date
2 **when the same becomes due, the person required to remit the same shall be entitled to deduct and**
3 **retain an amount equal to two percent thereof.**

4 **2. Notwithstanding any other provision of law to the contrary, for all tax years**
5 **beginning on or after January 1, 2019, no deduction under subsection 1 of this section shall**
6 **be allowed.**

7 **3. If the director of the department of revenue enters into the streamlined sales and**
8 **use tax agreement under section 32.070, the director shall provide a monetary allowance**
9 **from the taxes collected to each of the following:**

10 **(1) A CSP, in accordance with the agreement and under the terms of the contract**
11 **signed with the provider, provided that such allowance shall be funded entirely from**
12 **money collected in Model 1;**

13 **(2) Any vendor registered under the agreement that selects a certified automated**
14 **system to perform part of its sales or use tax functions; and**

15 **(3) Any vendor registered under the agreement that uses a proprietary system to**
16 **calculate taxes due and has entered into a performance agreement with states that are**
17 **members of the streamlined sales and use tax agreement.**

18 **4. The monetary allowance provided for vendors in subdivision (2) or (3) of**
19 **subsection 1 of this section shall be determined in accordance with the agreement entered**
20 **into with these parties by the governing board.**

144.190. 1. If a tax has been incorrectly computed by reason of a clerical error or
2 mistake on the part of the director of revenue, such fact shall be set forth in the records of the
3 director of revenue, and the amount of the overpayment shall be credited on any taxes then due
4 from the person legally obligated to remit the tax pursuant to sections 144.010 to 144.525, and
5 the balance shall be refunded to the person legally obligated to remit the tax, such person's
6 administrators or executors, as provided for in section 144.200.

7 2. If any tax, penalty or interest has been paid more than once, or has been erroneously
8 or illegally collected, or has been erroneously or illegally computed, such sum shall be credited
9 on any taxes then due from the person legally obligated to remit the tax pursuant to sections
10 144.010 to 144.525, and the balance, with interest as determined by section 32.065, shall be
11 refunded to the person legally obligated to remit the tax, but no such credit or refund shall be
12 allowed unless duplicate copies of a claim for refund are filed within three years from date of
13 overpayment.

14 3. Every claim for refund must be in writing and signed by the applicant, and must state
15 the specific grounds upon which the claim is founded. Any refund or any portion thereof which
16 is erroneously made, and any credit or any portion thereof which is erroneously allowed, may be
17 recovered in any action brought by the director of revenue against the person legally obligated
18 to remit the tax. In the event that a tax has been illegally imposed against a person legally

19 obligated to remit the tax, the director of revenue shall authorize the cancellation of the tax upon
20 the director's record.

21 4. Notwithstanding the provisions of section 32.057, a purchaser that originally paid
22 sales or use tax to a vendor or seller may submit a refund claim directly to the director of revenue
23 for such sales or use taxes paid to such vendor or seller and remitted to the director, provided no
24 sum shall be refunded more than once, any such claim shall be subject to any offset, defense, or
25 other claim the director otherwise would have against either the purchaser or vendor or seller,
26 and such claim for refund is accompanied by either:

27 (1) A notarized assignment of rights statement by the vendor or seller to the purchaser
28 allowing the purchaser to seek the refund on behalf of the vendor or seller. An assignment of
29 rights statement shall contain the Missouri sales or use tax registration number of the vendor or
30 seller, a list of the transactions covered by the assignment, the tax periods and location for which
31 the original sale was reported to the director of revenue by the vendor or seller, and a notarized
32 statement signed by the vendor or seller affirming that the vendor or seller has not received a
33 refund or credit, will not apply for a refund or credit of the tax collected on any transactions
34 covered by the assignment, and authorizes the director to amend the seller's return to reflect the
35 refund; or

36 (2) In the event the vendor or seller fails or refuses to provide an assignment of rights
37 statement within sixty days from the date of such purchaser's written request to the vendor or
38 seller, or the purchaser is not able to locate the vendor or seller or the vendor or seller is no
39 longer in business, the purchaser may provide the director a notarized statement confirming the
40 efforts that have been made to obtain an assignment of rights from the vendor or seller. Such
41 statement shall contain a list of the transactions covered by the assignment, the tax periods and
42 location for which the original sale was reported to the director of revenue by the vendor or
43 seller.

44

45 The director shall not require such vendor, seller, or purchaser to submit amended returns for
46 refund claims submitted under the provisions of this subsection. Notwithstanding the provisions
47 of section 32.057, if the seller is registered with the director for collection and remittance of sales
48 tax, the director shall notify the seller at the seller's last known address of the claim for refund.
49 If the seller objects to the refund within thirty days of the date of the notice, the director shall not
50 pay the refund. If the seller agrees that the refund is warranted or fails to respond within thirty
51 days, the director may issue the refund and amend the seller's return to reflect the refund. For
52 purposes of section 32.069, the refund claim shall not be considered to have been filed until the
53 seller agrees that the refund is warranted or thirty days after the date the director notified the
54 seller and the seller failed to respond.

55 5. Notwithstanding the provisions of section 32.057, when a vendor files a refund claim
56 on behalf of a purchaser and such refund claim is denied by the director, notice of such denial
57 and the reason for the denial shall be sent by the director to the vendor and each purchaser whose
58 name and address is submitted with the refund claim form filed by the vendor. A purchaser shall
59 be entitled to appeal the denial of the refund claim within sixty days of the date such notice of
60 denial is mailed by the director as provided in section 144.261. The provisions of this subsection
61 shall apply to all refund claims filed after August 28, 2012. The provisions of this subsection
62 allowing a purchaser to appeal the director's decision to deny a refund claim shall also apply to
63 any refund claim denied by the director on or after January 1, 2007, if an appeal of the denial of
64 the refund claim is filed by the purchaser no later than September 28, 2012, and if such claim is
65 based solely on the issue of the exemption of the electronic transmission or delivery of computer
66 software.

67 6. Notwithstanding the provisions of this section, the director of revenue shall authorize
68 direct-pay agreements to purchasers which have annual purchases in excess of seven hundred
69 fifty thousand dollars pursuant to rules and regulations adopted by the director of revenue. For
70 the purposes of such direct-pay agreements, the taxes authorized pursuant to chapters 66, 67, 70,
71 92, 94, 162, 190, 238, 321, and 644 shall be remitted based upon the location of the place of
72 business of the purchaser.

73 7. Special rules applicable to error corrections requested by customers of mobile
74 telecommunications service are as follows:

75 (1) For purposes of this subsection, the terms "customer", "home service provider",
76 "place of primary use", "electronic database", and "enhanced zip code" shall have the same
77 meanings as defined in the Mobile Telecommunications Sourcing Act incorporated by reference
78 in section 144.013;

79 (2) Notwithstanding the provisions of this section, if a customer of mobile
80 telecommunications services believes that the amount of tax, the assignment of place of primary
81 use or the taxing jurisdiction included on a billing is erroneous, the customer shall notify the
82 home service provider, in writing, within three years from the date of the billing statement. The
83 customer shall include in such written notification the street address for the customer's place of
84 primary use, the account name and number for which the customer seeks a correction of the tax
85 assignment, a description of the error asserted by the customer and any other information the
86 home service provider reasonably requires to process the request;

87 (3) Within sixty days of receiving the customer's notice, the home service provider shall
88 review its records and the electronic database or enhanced zip code to determine the customer's
89 correct taxing jurisdiction. If the home service provider determines that the review shows that
90 the amount of tax, assignment of place of primary use or taxing jurisdiction is in error, the home

91 service provider shall correct the error and, at its election, either refund or credit the amount of
92 tax erroneously collected to the customer for a period of up to three years from the last day of
93 the home service provider's sixty-day review period. If the home service provider determines
94 that the review shows that the amount of tax, the assignment of place of primary use or the taxing
95 jurisdiction is correct, the home service provider shall provide a written explanation of its
96 determination to the customer.

97 8. For all refund claims submitted to the department of revenue on or after September
98 1, 2003, notwithstanding any provision of this section to the contrary, if a person legally
99 obligated to remit the tax levied pursuant to sections 144.010 to 144.525 has received a refund
100 of such taxes for a specific issue and submits a subsequent claim for refund of such taxes on the
101 same issue for a tax period beginning on or after the date the original refund check issued to such
102 person, no refund shall be allowed. This subsection shall not apply and a refund shall be allowed
103 if the refund claim is filed by a purchaser under the provisions of subsection 4 of this section, the
104 refund claim is for use tax remitted by the purchaser, or an additional refund claim is filed by a
105 person legally obligated to remit the tax due to any of the following:

106 (1) Receipt of additional information or an exemption certificate from the purchaser of
107 the item at issue;

108 (2) A decision of a court of competent jurisdiction or the administrative hearing
109 commission; or

110 (3) Changes in regulations or policy by the department of revenue.

111 9. Notwithstanding any provision of law to the contrary, the director of revenue shall
112 respond to a request for a binding letter ruling filed in accordance with section 536.021 within
113 sixty days of receipt of such request. If the director of revenue fails to respond to such letter
114 ruling request within sixty days of receipt by the director, the director of revenue shall be barred
115 from pursuing collection of any assessment of sales or use tax with respect to the issue which is
116 the subject of the letter ruling request. For purposes of this subsection, the term "letter ruling"
117 means a written interpretation of law by the director to a specific set of facts provided by a
118 specific taxpayer or his or her agent.

119 10. If any tax was paid more than once, was incorrectly collected, or was incorrectly
120 computed, such sum shall be credited on any taxes then due from the person legally obligated
121 to remit the tax pursuant to sections 144.010 to 144.510 against any deficiency or tax due
122 discovered through an audit of the person by the department of revenue through adjustment
123 during the same tax filing period for which the audit applied.

124 **11. A cause of action against the seller by a purchaser for a tax erroneously or**
125 **illegally collected under this chapter does not accrue until a purchaser has provided**
126 **written notice to a seller and the seller has had sixty days to respond. Such notice to the**

127 **seller must contain the information necessary to determine the validity of the request. A**
128 **seller shall be presumed to have a reasonable business practice if in the collection of such**
129 **tax, the seller uses a provider or a system certified by the director and has remitted to the**
130 **state all tax collected less any deductions, credits, or allowances.**

144.210. 1. The burden of proving that a sale of tangible personal property, services,
2 substances or things was not a sale at retail shall be upon the person who made the sale, except
3 that with respect to sales, services, or transactions provided for in section 144.070. ~~[The seller~~
4 ~~shall obtain and maintain exemption certificates signed by the purchaser or his agent as evidence~~
5 ~~for any exempt sales claimed; provided, however, that before any administrative tribunal of this~~
6 ~~state, a seller may prove that sale is exempt from tax under this chapter in accordance with proof~~
7 ~~admissible under the applicable rules of evidence; except that when a purchaser has purchased~~
8 ~~tangible personal property or services sales tax free under a claim of exemption which is found~~
9 ~~to be improper, the director of revenue may collect the proper amount of tax, interest, additions~~
10 ~~to tax and penalty from the purchaser directly. Any tax, interest, additions to tax or penalty~~
11 ~~collected by the director from the purchaser shall be credited against the amount otherwise due~~
12 ~~from the seller on the purchases or sales where the exemption was claimed.]~~

13 2. If the director of revenue is not satisfied with the return and payment of the tax made
14 by any person, he is hereby authorized and empowered to make an additional assessment of tax
15 due from such person, based upon the facts contained in the return or upon any information
16 within his possession or that shall come into his possession.

17 3. The director of revenue shall give to the person written notice of such additional or
18 revised assessment by certified or registered mail to the person at his or its last known address.

144.212. 1. In addition to all other provisions of law provided for exemptions, when
2 **an exemption is claimed by a purchaser:**

3 **(1) The seller shall obtain identifying information of the purchaser and the reason**
4 **for claiming a tax exemption at the time of the purchase;**

5 **(2) A purchaser shall not be required to provide a signature to claim an exemption**
6 **from tax unless a paper exemption certificate is used;**

7 **(3) The seller shall use the standard form for claiming an exemption electronically**
8 **prescribed by the director of the department of revenue and acceptable to the streamlined**
9 **sales and use tax governing board;**

10 **(4) The seller shall obtain the same information for proof of a claimed exemption**
11 **regardless of the medium in which the transaction occurred;**

12 **(5) The seller shall maintain proper records of exempt transactions and provide**
13 **such records to the director of the department of revenue or the director's designee upon**
14 **request; and**

15 **(6) In the case of drop shipment sales, a third-party vendor, such as a drop shipper,**
16 **may claim a resale exemption based on an exemption certificate provided by its customer**
17 **or any other acceptable information available to the third-party vendor evidencing**
18 **qualification for a resale exemption, regardless of whether the customer is registered to**
19 **collect and remit sales and use tax in the state where the sale is sourced.**

20 **2. Sellers that comply with the requirements of this section shall be relieved from**
21 **collecting and remitting tax otherwise applicable if it is determined that the purchaser**
22 **improperly claimed an exemption and such purchaser shall be liable for the nonpayment**
23 **of tax. Relief from liability provided under this section shall not apply to a seller who**
24 **fraudulently fails to collect tax; to a seller who solicits purchasers to participate in the**
25 **unlawful claim of an exemption; to a seller who accepts an exemption certificate when the**
26 **purchaser claims an entity-based exemption when the subject of the transaction sought to**
27 **be covered by the exemption certificate is actually received by the purchaser at a location**
28 **operated by the seller and the state in which that location resides provides an exemption**
29 **certificate that clearly and affirmatively indicates that the claimed exemption is not**
30 **available in such state; or to a seller who accepts an exemption certificate claiming multiple**
31 **points of use for tangible personal property other than computer software for which an**
32 **exemption claiming multiple points of use.**

33 **(1) A seller shall be relieved from collecting and remitting tax otherwise applicable**
34 **if the seller obtains a fully completed exemption certificate or captures the relevant data**
35 **elements required under the agreement within ninety days subsequent to the date of sale.**

36 **(2) If a seller fails to obtain an exemption certificate or all relevant data elements**
37 **as provided in this section, the seller may, within one hundred twenty days subsequent to**
38 **a request for substantiation by the director of the department of revenue or the director's**
39 **designee, either prove that the transaction was not subject to tax by other means or obtain**
40 **a fully completed exemption certificate from the purchaser, taken in good faith.**

41 **3. Nothing in this section shall affect the ability of the director of the department**
42 **of revenue or the director's designee to require purchasers to update exemption certificate**
43 **information or to reapply with the state to claim certain exemptions.**

44 **4. Notwithstanding the provisions of subsection 2 of this section to the contrary, the**
45 **director shall relieve a seller of the tax otherwise applicable if the seller obtains a blanket**
46 **exemption certificate for a purchaser with which the seller has a recurring business**
47 **relationship. The director shall not request from the seller renewal of blanket certificates**
48 **or updates of exemption certificate information or data elements when there is a recurring**
49 **business relationship between the buyer and seller. For purposes of this section, a**

50 **recurring business relationship exists when a period of no more than twelve months elapses**
51 **between sales transactions.**

144.285. 1. ~~[In order to permit sellers required to collect and report the sales tax to~~
2 ~~collect the amount required to be reported and remitted, but not to change the requirements of~~
3 ~~reporting or remitting tax or to serve as a levy of the tax, and in order to avoid fractions of~~
4 ~~pennies, the director of revenue shall establish brackets, showing the amounts of tax to be~~
5 ~~collected on sales of specified amounts, which shall be applicable to all taxable transactions]~~
6 **When the seller is computing the amount of tax owed by the purchaser and remitted to the**
7 **state:**

8 **(1) Tax computation shall be carried to the third decimal place; and**

9 **(2) The tax shall be rounded to a whole cent using a method that rounds up to the**
10 **next cent whenever the third decimal place is greater than four.**

11 2. ~~[In all instances where statements covering taxable purchases are rendered to the~~
12 ~~taxpayer on a monthly or other periodic basis, the amount of tax shall be determined by applying~~
13 ~~the applicable tax rate to the taxable purchases represented on the statement, rounded to the~~
14 ~~nearest whole cent, or by application of the brackets established by the director of revenue, at the~~
15 ~~option of the retail vendor]~~ **Sellers may elect to compute the tax due on a transaction on an**
16 **item or an invoice basis. The provision of this subsection may be applied to the aggregated**
17 **state and local taxes.**

18 3. No vendor or seller shall knowingly charge or receive from a purchaser as a sales tax
19 any sum in excess of the sums provided for in this section.

20 4. ~~[A vendor may, at his option, determine the amount charged to and received from each~~
21 ~~purchaser by use of a formula which applies the applicable tax rate to each taxable purchase,~~
22 ~~rounded to the nearest whole cent. The formula shall be uniformly and consistently applied to~~
23 ~~all purchases similarly situated.~~

24 ~~—5.]~~ Amounts which a vendor charges to and receives from the purchaser in accordance
25 with this section shall not be includable in his gross receipts if the amounts are separately
26 charged or stated.

27 ~~[6.]~~ **5.** If sales tax for one or more local political subdivisions is owed by a taxpayer
28 pursuant to chapter 66, 67, 92, or 94 and that taxpayer remits less than all sales tax due for a
29 filing period specified in section 144.080, the director of revenue shall deposit the tax remitted
30 proportionately to each taxing jurisdiction in accordance with the percentage that each such
31 jurisdiction's share of the tax due for the filing period bears to the total tax due from such
32 taxpayer for such period. The unpaid balance due along with penalties and interest shall be
33 similarly prorated among the state and all local jurisdictions for which tax was due during the

34 filing period for which an underpayment occurs. The provisions of this subsection shall apply
 35 to all returns or remittances relating to sales made on or after January 1, 1984.

144.526. 1. This section shall be known and may be cited as the "Show Me Green Sales
 2 Tax Holiday".

3 2. ~~[For purposes of this section, the following terms mean:~~

4 ~~—— (1) "Appliance", clothes washers and dryers, water heaters, trash compactors,
 5 dishwashers, conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and
 6 freezers; and~~

7 ~~—— (2) "Energy star certified", any appliance approved by both the United States
 8 Environmental Protection Agency and the United States Department of Energy as eligible to
 9 display the energy star label, as amended from time to time.~~

10 ~~—— 3.]~~ In each year beginning on or after January 1, 2009, there is hereby specifically
 11 exempted from state sales tax law **and all local sales and use taxes** all retail sales of any ~~[energy~~
 12 ~~star certified]~~ new appliance **that is an Energy Star qualified product with a sales price of,**
 13 up to one thousand five hundred dollars per appliance, during a seven-day period beginning at
 14 12:01 a.m. on April nineteenth and ending at midnight on April twenty-fifth. **If a purchaser**
 15 **and seller are located in two different time zones, the time zone of the seller's location shall**
 16 **determine the authorized exemption period.**

17 ~~[4. A political subdivision may allow the sales tax holiday under this section to apply to
 18 its local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall
 19 notify the department of revenue not less than forty-five calendar days prior to the beginning date
 20 of the sales tax holiday occurring in that year of any such ordinance or order.~~

21 ~~—— 5. This section may not apply to any retailer when less than two percent of the retailer's
 22 merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales
 23 tax refund in lieu of the sales tax holiday.]~~

24 **3. A sale of property which is eligible for an exemption under subsection 1 of this**
 25 **section but is purchased under a layaway sale shall only qualify for an exemption if:**

26 **(1) Final payment on a layaway order is made by, and the property is given to, the**
 27 **purchaser during the exemption period; or**

28 **(2) The purchaser selects the property and the seller accepts the order for the**
 29 **property during the exemption period, for immediate delivery upon full payment, even if**
 30 **delivery is made after the exemption period.**

31 **4. The exemption of a bundled transaction shall be calculated as provided by law**
 32 **for all other bundled transactions.**

33 **5. (1) For any discount offered by a seller that is a reduction of the sales price of**
 34 **the product, the discounted sales price shall determine whether the sales price falls below**

35 the price threshold provided in subsection 1 of this section. A coupon that reduces the sales
36 price shall be treated as a discount only if the seller is not reimbursed for the coupon
37 amount by a third party.

38 (2) If a discount applies to the total amount paid by a purchaser rather than to the
39 sales price of a particular product and the purchaser has purchased both exempt property
40 and taxable property, the seller shall allocate the discount based on the total sales prices
41 of the taxable property compared to the total sales prices of all property sold in the same
42 transaction.

43 6. Items that are normally sold as a single unit shall continue to be sold in that
44 manner and shall not be priced separately and sold as individual items.

45 7. Items that are purchased during an exemption period but that are not delivered
46 to the purchaser until after the exemption period due to the item not being in stock shall
47 qualify for an exemption. The provisions of this subsection shall not apply to an item that
48 was delivered during an exemption period but was purchased prior to or after the
49 exemption period.

50 8. (1) If a purchaser purchases an item of eligible property during an exemption
51 period, but later exchanges the item for a similar eligible item after the exemption period,
52 no additional tax shall be due on the new item.

53 (2) If a purchaser purchases an item of eligible property during an exemption
54 period, but later returns the item after the exemption period and receives credit on the
55 purchase of a different nonexempt item, the appropriate sales tax shall be due on the sale
56 of the newly purchased item.

57 (3) If a purchaser purchases an item of eligible property before an exemption
58 period, but during the exemption period returns the item and receives credit on the
59 purchase of a different item of eligible property, no sales tax shall be due on the sale of the
60 new item if the new item is purchased during the exemption period.

61 (4) For a sixty day period immediately following the end of the exemption period,
62 if a purchaser returns an exempt item, no credit for or refund of sales tax shall be given
63 unless the purchaser provides a receipt or invoice that shows tax was paid, or the seller has
64 sufficient documentation to show that tax was paid on the item being returned.

65 9. For items that require delivery, an item shall be considered exempt if:

66 (1) The item is both delivered to and paid for by the purchaser during the
67 exemption period; or

68 (2) The purchaser orders and pays for the item and the seller accepts the order
69 during the exemption period for immediate shipment, even if delivery is made after the
70 exemption period. For the purposes of this subdivision, a seller shall be considered to have

71 **accepted an order when the seller has taken action to fill the order for immediate shipment.**
72 **Actions to fill an order shall include placement of an "in date" stamp on a mail order or**
73 **the assignment of an "order number" to a telephone order. An order shall be considered**
74 **for immediate shipment when the purchaser does not request delayed shipment. An order**
75 **shall be considered for immediate shipment notwithstanding a shipment that may be**
76 **delayed because of a backlog of orders or because an item is currently unavailable or on**
77 **back order.**

144.600. **1. This law may be cited as the "Compensating Use Tax Law".**

2 **2. All provisions in sections 144.010 to 144.527 with respect to sales into this state**
3 **by out-of-state sellers apply to the Compensating Use Tax Law.**

144.612. A vendor is required to register with the director under this chapter for
2 **the collection and remittance of use tax if the vendor is engaged in business activities within**
3 **this state. For purposes of this chapter, "engages in business activities within this state"**
4 **includes:**

5 **(1) Maintaining or having a franchisee or licensee operating under the seller's trade**
6 **name in this state if the franchisee or licensee is required to collect sales tax under**
7 **sections 144.010 to 144.525;**

8 **(2) Soliciting sales or taking orders by sales agents or traveling representatives;**

9 **(3) A vendor is presumed to engage in business activities within this state if any**
10 **person, other than a common carrier acting in its capacity as such, that has substantial**
11 **nexus with this state:**

12 **(a) Sells a similar line of products as the vendor and does so under the same or a**
13 **similar business name;**

14 **(b) Maintains an office, distribution facility, warehouse, storage place, or similar**
15 **place of business in the state to facilitate the delivery of property or services sold by the**
16 **vendor to the vendor's customers;**

17 **(c) Delivers, installs, assembles, or performs maintenance services for the vendor's**
18 **customers within the state;**

19 **(d) Facilitates the vendor's delivery of property to customers in the state by**
20 **allowing the vendor's customers to pick up property sold by the vendor at an office,**
21 **distribution facility, warehouse, storage place, or similar place of business maintained by**
22 **the person in the state; or**

23 **(e) Conducts any other activities in the state that are significantly associated with**
24 **the vendor's ability to establish and maintain a market in the state for the sales;**

25 **(4) The presumption in subdivision (3) of this section may be rebutted by**
26 **demonstrating that the person's activities in the state are not significantly associated with**
27 **the vendor's ability to establish or maintain a market in this state for the vendor's sales;**

28 **(5) Notwithstanding subdivision (3) of this section, a vendor shall be presumed to**
29 **engage in business activities within this state if the vendor enters into an agreement with**
30 **one or more residents of this state under which the resident, for a commission or other**
31 **consideration, directly or indirectly refers potential customers, whether by a link on an**
32 **internet website, an in-person oral presentation, telemarketing, or otherwise, to the vendor,**
33 **if the cumulative gross receipts from sales by the vendor to customers in the state who are**
34 **referred to the vendor by all residents with this type of an agreement with the vendor is in**
35 **excess of ten thousand dollars during the preceding twelve months; and**

36 **(6) The presumption in subdivision (5) of this section may be rebutted by**
37 **submitting proof that the residents with whom the vendor has an agreement did not engage**
38 **in any activity within the state that was significantly associated with the vendor's ability**
39 **to establish or maintain the vendor's market in the state during the preceding twelve**
40 **months. Such proof may consist of sworn written statements from all of the residents with**
41 **whom the vendor has an agreement stating that they did not engage in any solicitation in**
42 **the state on behalf of the vendor during the preceding year, provided that such statements**
43 **were provided and obtained in good faith.**

144.655. 1. Every vendor, on or before the last day of the month following each calendar
2 quarterly period of three months, shall file with the director of revenue a return of all taxes
3 collected for the preceding quarter in the form prescribed by the director of revenue, showing the
4 total sales price of the tangible personal property sold by the vendor, the storage, use or
5 consumption of which is subject to the tax levied by this law, and other information the director
6 of revenue deems necessary. The return shall be accompanied by a remittance of the amount of
7 the tax required to be collected by the vendor during the period covered by the return. Returns
8 shall be signed by the vendor or the vendor's authorized agent. The director of revenue may
9 promulgate rules or regulations changing the filing and payment requirements of vendors, but
10 shall not require any vendor to file and pay more frequently than required in this section.

11 2. Where the aggregate amount of tax required to be collected by a vendor is in excess
12 of two hundred and fifty dollars for either the first or second month of a calendar quarter, the
13 vendor shall pay such aggregate amount for such months to the director of revenue by the
14 twentieth day of the succeeding month. The amount so paid shall be allowed as a credit against
15 the liability shown on the vendor's quarterly return required by this section.

16 3. Where the aggregate amount of tax required to be collected by a vendor is less than
17 forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the

18 vendor to file a return for a calendar year. The return shall be filed and the taxes paid on or
19 before January thirty-first of the succeeding year.

20 4. Except as provided in subsection 5 of this section, every person purchasing tangible
21 personal property, the storage, use or consumption of which is subject to the tax levied by
22 sections 144.600 to 144.748, who has not paid the tax due to a vendor registered in accordance
23 with the provisions of section 144.650, shall file with the director of revenue a return for the
24 preceding reporting period in the form and manner that the director of revenue prescribes,
25 showing the total sales price of the tangible property purchased during the preceding reporting
26 period and any other information that the director of revenue deems necessary for the proper
27 administration of sections 144.600 to 144.748. The return shall be accompanied by a remittance
28 of the amount of the tax required by sections 144.600 to 144.748 to be paid by the person.
29 Returns shall be signed by the person liable for the tax or such person's duly authorized agent.
30 For purposes of this subsection, the reporting period shall be determined by the director of
31 revenue and may be a calendar quarter or a calendar year. Annual returns and payments required
32 by the director pursuant to this subsection shall be due on or before April fifteenth of the year
33 for the preceding calendar year and quarterly returns and payments shall be due on or before the
34 last day of the month following each calendar period of three months. Upon the taxpayer's
35 request, the director may allow the filing of such returns and payments on a monthly basis. If
36 a taxpayer elects to file a monthly return and payment, such return and payment shall be due on
37 or before the twentieth day of the succeeding month.

38 5. Any person purchasing tangible personal property subject to the taxes imposed by
39 sections 144.600 to 144.748 shall not be required to file a use tax return with the director of
40 revenue if such purchases on which such taxes were not paid do not exceed in the aggregate two
41 thousand dollars in any calendar year.

42 6. Nothing in subsection 5 of this section shall relieve a vendor of liability to collect the
43 tax imposed pursuant to sections 144.600 to 144.748 on the total gross receipts of all sales of
44 tangible personal property used, stored or consumed in this state and to remit all taxes collected
45 to the director of revenue in accordance with the provisions of this section nor shall it relieve a
46 purchaser from paying such taxes to a vendor registered in accordance with the provisions of
47 section 144.650.

48 **7. Any out-of-state seller that is not legally required to register for use tax in this**
49 **state but chooses to collect and remit use tax under sections 144.600 to 144.761 shall file a**
50 **return for the calendar year. The return shall be filed and the taxes paid on or before**
51 **January thirty-first of the succeeding year.**

144.710. 1. From every remittance made by a vendor as required by sections 144.600
2 to 144.745 to the director of revenue on or before the date when the remittance becomes due, the
3 vendor may deduct and retain an amount equal to two percent thereof.

4 **2. Notwithstanding any other provision of law to the contrary, for all tax years**
5 **beginning on or after January 1, 2019, no deduction under subsection 1 of this section shall**
6 **be allowed.**

144.759. 1. All local use taxes collected by the director of revenue pursuant to sections
2 144.757 to 144.761 on behalf of any county or municipality, less one percent for cost of
3 collection, which shall be deposited in the state's general revenue fund after payment of
4 premiums for surety bonds as provided in section 32.087 shall be deposited with the state
5 treasurer in a local use tax trust fund, which fund shall be separate and apart from the local sales
6 tax trust funds. The moneys in such local use tax trust fund shall not be deemed to be state funds
7 and shall not be commingled with any funds of the state. The director of revenue shall keep
8 accurate records of the amount of money in the trust fund which was collected in each county
9 or municipality imposing a local use tax, and the records shall be open to the inspection of
10 officers of the county or municipality and to the public. No later than the tenth day of each
11 month, the director of revenue shall distribute all moneys deposited in the trust fund during the
12 preceding month, except as provided in subsection 2 of this section, to the county or municipality
13 treasurer, or such other officer as may be designated by the county or municipality ordinance or
14 order, of each county or municipality imposing the tax authorized by sections 144.757 to
15 144.761, the sum due the county or municipality as certified by the director of revenue.

16 2. The director of revenue shall distribute all moneys which would be due any county
17 having a charter form of government and having a population of nine hundred thousand or more
18 to the county treasurer or such other officer as may be designated by county ordinance, who shall
19 distribute such moneys as follows: the portion of the use tax imposed by the county which
20 equals one-half the rate of sales tax in effect for such county shall be disbursed to the county
21 treasurer for expenditure throughout the county for public safety, parks, and job creation, subject
22 to any qualifications and regulations adopted by ordinance of the county. Such ordinance shall
23 require an audited comprehensive financial report detailing the management and use of such
24 funds each year. Such ordinance shall also require that the county and the municipal league of
25 the county jointly prepare a strategy to guide expenditures of funds and conduct an annual review
26 of the strategy. The treasurer or such other officer as may be designated by county ordinance
27 shall distribute one-third of the balance to the county and to each city, town and village in group
28 B according to section 66.620 as modified by this section, a portion of the two-thirds remainder
29 of such balance equal to the percentage ratio that the population of each such city, town or
30 village bears to the total population of all such group B cities, towns and villages. For the

31 purposes of this subsection, population shall be determined by the last federal decennial census
32 or the latest census that determines the total population of the county and all political
33 subdivisions therein. For the purposes of this subsection, each city, town or village in group A
34 according to section 66.620 but whose per capita sales tax receipts during the preceding calendar
35 year pursuant to sections 66.600 to 66.630 were less than the per capita countywide average of
36 all sales tax receipts during the preceding calendar year, shall be treated as a group B city, town
37 or village until the per capita amount distributed to such city, town or village equals the
38 difference between the per capita sales tax receipts during the preceding calendar year and the
39 per capita countywide average of all sales tax receipts during the preceding calendar year.

40 3. The director of revenue may authorize the state treasurer to make refunds from the
41 amounts in the trust fund and credited to any county or municipality for erroneous payments and
42 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of
43 such counties or municipalities. If any county or municipality abolishes the tax, the county or
44 municipality shall notify the director of revenue of the action [~~at least ninety days prior to the~~
45 ~~effective date of the repeal,~~] and the director of revenue may order retention in the trust fund, for
46 a period of one year, of two percent of the amount collected after receipt of such notice to cover
47 possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited
48 to the credit of such accounts. After one year has elapsed after the effective date of abolition of
49 the tax in such county or municipality, the director of revenue shall authorize the state treasurer
50 to remit the balance in the account to the county or municipality and close the account of that
51 county or municipality. The director of revenue shall notify each county or municipality of each
52 instance of any amount refunded or any check redeemed from receipts due the county or
53 municipality.

54 4. Except as modified in sections 144.757 to 144.761, all provisions of sections 32.085
55 [~~and~~] to 32.087 applicable to the local sales tax, except for subsection 12 of section 32.087, and
56 all provisions of sections 144.600 to 144.745 shall apply to the tax imposed pursuant to sections
57 144.757 to 144.761, and the director of revenue shall perform all functions incident to the
58 administration, collection, enforcement, and operation of the tax.

144.761. 1. No county or municipality imposing a local use tax pursuant to sections
2 144.757 to 144.761 may repeal or amend such local use tax unless such repeal or amendment is
3 submitted to and approved by the voters of the county or municipality in the manner provided
4 in section 144.757; provided, however, that the repeal of the local sales tax within the county or
5 municipality shall be deemed to repeal the local use tax imposed pursuant to sections 144.757
6 to 144.761.

7 2. Whenever the governing body of any county or municipality in which a local use tax
8 has been imposed in the manner provided by sections 144.757 to 144.761 receives a petition,

9 signed by fifteen percent of the registered voters of such county or municipality voting in the last
10 gubernatorial election, calling for an election to repeal such local use tax, the governing body
11 shall submit to the voters of such county or municipality a proposal to repeal the county or
12 municipality use tax imposed pursuant to sections 144.757 to 144.761. If a majority of the votes
13 cast on the proposal by the registered voters voting thereon are in favor of the proposal to repeal
14 the local use tax, then the ordinance or order imposing the local use tax, along with any
15 amendments thereto, is repealed. If a majority of the votes cast by the registered voters voting
16 thereon are opposed to the proposal to repeal the local use tax, then the ordinance or order
17 imposing the local use tax, along with any amendments thereto, shall remain in effect.
18 **Subsection 19 of section 32.087 shall apply to such repeal of the tax authorized under**
19 **sections 144.757 to 144.761.**

184.845. 1. The board of the district may impose a museum and cultural district sales
2 tax by resolution on all retail sales made in such museum and cultural district which are subject
3 to ~~[taxation pursuant to the provisions of sections 144.010 to 144.525]~~ **sales tax under chapter**
4 **144.** Such museum and cultural district sales tax may be imposed for any museum or cultural
5 purpose designated by the board of the museum and cultural district. If the resolution is adopted
6 the board of the district may submit the question of whether to impose a sales tax authorized by
7 this section to the qualified voters, who shall have the same voting interests as with the election
8 of members of the board of the district.

9 2. The sales tax authorized by this section shall become effective ~~[on the first day of the~~
10 ~~second calendar quarter following adoption of the tax by the board or qualified voters]~~ **as**
11 **provided in subsection 19 of section 32.087,** if the board elects to submit the question of
12 whether to impose a sales tax to the qualified voters.

13 3. In each museum and cultural district in which a sales tax has been imposed in the
14 manner provided by this section, every retailer shall add the tax imposed by the museum and
15 cultural district pursuant to this section to the retailer's sale price, and when so added such tax
16 shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid, and
17 shall be recoverable at law in the same manner as the purchase price.

18 4. In order to permit sellers required to collect and report the sales tax authorized by this
19 section to collect the amount required to be reported and remitted, but not to change the
20 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid
21 fractions of pennies, the ~~[museum and cultural district may establish appropriate brackets which~~
22 ~~shall be used in the district imposing a tax pursuant to this section in lieu of those brackets~~
23 ~~provided in]~~ **tax shall be calculated as authorized by the provisions of** section 144.285.

24 5. All revenue received by a museum and cultural district from the tax authorized by this
25 section which has been designated for a certain museum or cultural purpose shall be deposited

26 in a special trust fund and shall be used solely for such designated purpose. All funds remaining
27 in the special trust fund shall continue to be used solely for such designated museum or cultural
28 purpose. Any funds in such special trust fund which are not needed for current expenditures may
29 be invested by the board of directors in accordance with applicable laws relating to the
30 investment of other museum or cultural district funds.

31 6. The sales tax may be imposed at a rate of one-half of one percent, three-fourths of one
32 percent or one percent on the receipts from the sale at retail of all tangible personal property or
33 taxable services at retail within the museum and cultural district adopting such tax, if such
34 property and services are subject to taxation by the state of Missouri ~~[pursuant to the provisions~~
35 ~~of sections 144.010 to 144.525]~~ **under chapter 144**. Any museum and cultural district sales tax
36 imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout the
37 district.

38 7. On and after the effective date of any tax imposed pursuant to this section, the
39 ~~[museum and cultural district]~~ **director of revenue** shall perform all functions incident to the
40 administration, collection, enforcement, and operation of the tax. The tax imposed pursuant to
41 this section shall be collected and reported upon such forms and under such administrative rules
42 and regulations as may be prescribed by the ~~[museum and cultural district]~~ **director of revenue**.

43 8. All applicable provisions contained in sections 144.010 to 144.525 governing the state
44 sales tax, sections 32.085 ~~[and]~~ **to** 32.087, and section 32.057, the uniform confidentiality
45 provision, shall apply to the collection of the tax imposed by this section, except as modified in
46 this section. All revenue collected under this section by the director of the department of revenue
47 on behalf of the museum and cultural districts ~~[, except for one percent for the cost of collection~~
48 ~~which shall be deposited in the state's general revenue fund,]~~ shall be deposited in a special trust
49 fund, which is hereby created and shall be known as the "Missouri Museum Cultural District Tax
50 Fund", and shall be used solely for such designated purpose. ~~[Moneys in the fund shall not be~~
51 ~~deemed to be state funds, and shall not be commingled with any funds of the state.]~~ The director
52 may make refunds from the amounts in the fund and credited to the district for erroneous
53 payments and overpayments made, and may redeem dishonored checks and drafts deposited to
54 the credit of such county.

55 9. All exemptions granted to agencies of government, organizations, persons and to the
56 sale of certain articles and items of tangible personal property and taxable services pursuant to
57 the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and
58 collection of the tax imposed by this section.

59 10. The same sales tax permit, exemption certificate and retail certificate required by
60 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
61 satisfy the requirements of this section, and no additional permit or exemption certificate or retail

62 certificate shall be required; except that the museum and cultural district may prescribe a form
63 of exemption certificate for an exemption from the tax imposed by this section.

64 11. The penalties provided in section 32.057 and sections 144.010 to 144.525 for
65 violation of those sections are hereby made applicable to violations of this section.

66 12. ~~[For the purpose of a sales tax imposed by a resolution pursuant to this section, all
67 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place
68 of business of the retailer unless the tangible personal property sold is delivered by the retailer
69 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an
70 out-of-state destination. In the event a retailer has more than one place of business in this state
71 which participates in the sale, the sale shall be deemed to be consummated at the place of
72 business of the retailer where the initial order for the tangible personal property is taken, even
73 though the order shall be forwarded elsewhere for acceptance, approval of credit, shipment or
74 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of
75 business from which the employee works.~~

76 ~~————13.]~~ All sales taxes collected by the museum and cultural district shall be deposited by
77 the museum and cultural district in a special fund to be expended for the purposes authorized in
78 this section. The museum and cultural district shall keep accurate records of the amount of
79 money which was collected pursuant to this section, and the records shall be open to the
80 inspection by the officers and directors of each museum and cultural district and the Missouri
81 department of revenue. Tax returns filed by businesses within the district shall otherwise be
82 considered as confidential in the same manner as sales tax returns filed with the Missouri
83 department of revenue.

84 ~~[14.]~~ 13. No museum and cultural district imposing a sales tax pursuant to this section
85 may repeal or amend such sales tax unless such repeal or amendment will not impair the district's
86 ability to repay any liabilities which it has incurred, money which it has borrowed or revenue
87 bonds, notes or other obligations which it has issued or which have been issued to finance any
88 project or projects.

89 **14. Except as modified in this section, all provisions of sections 32.085 to 32.087**
90 **shall apply to the tax imposed under this section.**

221.407. 1. The commission of any regional jail district may impose, by order, a sales
2 tax in the amount of one-eighth of one percent, one-fourth of one percent, three-eighths of one
3 percent, or one-half of one percent on all retail sales made in such region which are subject to
4 taxation ~~[pursuant to the provisions of sections 144.010 to 144.525]~~ **under chapter 144** for the
5 purpose of providing jail services and court facilities and equipment for such region. The tax
6 authorized by this section shall be in addition to any and all other sales taxes allowed by law,
7 except that no order imposing a sales tax pursuant to this section shall be effective unless the

8 commission submits to the voters of the district, on any election date authorized in chapter 115,
9 a proposal to authorize the commission to impose a tax.

10 2. The ballot of submission shall contain, but need not be limited to, the following
11 language:

12 Shall the regional jail district of _____ (counties' names) impose a region-wide sales tax
13 of _____ (insert amount) for the purpose of providing jail services and court facilities and
14 equipment for the region?

15 YES NO

16

17 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
18 to the question, place an "X" in the box opposite "NO".

19

20 If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon
21 are in favor of the proposal, then the order and any amendment to such order shall be in effect
22 ~~[on the first day of the second quarter immediately following the election approving the~~
23 ~~proposal]~~ **as provided by subsection 19 of section 32.087.** If the proposal receives less than
24 the required majority, the commission shall have no power to impose the sales tax authorized
25 pursuant to this section unless and until the commission shall again have submitted another
26 proposal to authorize the commission to impose the sales tax authorized by this section and such
27 proposal is approved by the required majority of the qualified voters of the district voting on such
28 proposal; however, in no event shall a proposal pursuant to this section be submitted to the voters
29 sooner than twelve months from the date of the last submission of a proposal pursuant to this
30 section.

31 3. All revenue received by a district from the tax authorized pursuant to this section shall
32 be deposited in a special trust fund and shall be used solely for providing jail services and court
33 facilities and equipment for such district for so long as the tax shall remain in effect.

34 4. Once the tax authorized by this section is abolished or terminated by any means, all
35 funds remaining in the special trust fund shall be used solely for providing jail services and court
36 facilities and equipment for the district. Any funds in such special trust fund which are not
37 needed for current expenditures may be invested by the commission in accordance with
38 applicable laws relating to the investment of other county funds.

39 5. All sales taxes collected by the director of revenue pursuant to this section on behalf
40 of any district ~~[, less one percent for cost of collection which shall be deposited in the state's~~
41 ~~general revenue fund after payment of premiums for surety bonds as provided in section 32.087,]~~
42 shall be deposited in a special trust fund, which is hereby created, to be known as the "Regional
43 Jail District Sales Tax Trust Fund". ~~[The moneys in the regional jail district sales tax trust fund~~

44 ~~shall not be deemed to be state funds and shall not be commingled with any funds of the state.]~~
45 The director of revenue shall keep accurate records of the amount of money in the trust fund
46 which was collected in each district imposing a sales tax pursuant to this section, and the records
47 shall be open to the inspection of officers of each member county and the public. Not later than
48 the tenth day of each month the director of revenue shall distribute all moneys deposited in the
49 trust fund during the preceding month to the district which levied the tax. Such funds shall be
50 deposited with the treasurer of each such district, and all expenditures of funds arising from the
51 regional jail district sales tax trust fund shall be paid pursuant to an appropriation adopted by the
52 commission and shall be approved by the commission. Expenditures may be made from the fund
53 for any function authorized in the order adopted by the commission submitting the regional jail
54 district tax to the voters.

55 6. The director of revenue may make refunds from the amounts in the trust fund and
56 credited to any district for erroneous payments and overpayments made, and may redeem
57 dishonored checks and drafts deposited to the credit of such districts. If any district abolishes
58 the tax, the commission shall notify the director of revenue of the action ~~[at least ninety days~~
59 ~~prior to the effective date of the repeal,]~~ and the director of revenue may order retention in the
60 trust fund, for a period of one year, of two percent of the amount collected after receipt of such
61 notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and
62 drafts deposited to the credit of such accounts. After one year has elapsed after the effective date
63 of abolition of the tax in such district, the director of revenue shall remit the balance in the
64 account to the district and close the account of that district. The director of revenue shall notify
65 each district in each instance of any amount refunded or any check redeemed from receipts due
66 the district.

67 7. Except as provided in this section, all provisions of sections 32.085 ~~[and]~~ to 32.087
68 shall apply to the tax imposed pursuant to this section.

69 8. The provisions of this section shall expire September 30, 2028.

238.235. 1. (1) Any transportation development district may by resolution impose a
2 transportation development district sales tax on all retail sales made in such transportation
3 development district which are subject to taxation ~~[pursuant to the provisions of sections 144.010~~
4 ~~to 144.525]~~ **under chapter 144**, except such transportation development district sales tax shall
5 not apply to the sale or use of motor vehicles, trailers, boats or outboard motors ~~[nor to all sales~~
6 ~~of electricity or electrical current, water and gas, natural or artificial, nor to sales of service to~~
7 ~~telephone subscribers, either local or long distance]~~, **electricity piped natural or artificial gas,**
8 **or other fuels delivered by the seller.** Such transportation development district sales tax may
9 be imposed for any transportation development purpose designated by the transportation

10 development district in its ballot of submission to its qualified voters, except that no resolution
 11 enacted pursuant to the authority granted by this section shall be effective unless:

12 (a) The board of directors of the transportation development district submits to the
 13 qualified voters of the transportation development district a proposal to authorize the board of
 14 directors of the transportation development district to impose or increase the levy of an existing
 15 tax pursuant to the provisions of this section; or

16 (b) The voters approved the question certified by the petition filed pursuant to subsection
 17 5 of section 238.207.

18 (2) If the transportation district submits to the qualified voters of the transportation
 19 development district a proposal to authorize the board of directors of the transportation
 20 development district to impose or increase the levy of an existing tax pursuant to the provisions
 21 of paragraph (a) of subdivision (1) of this subsection, the ballot of submission shall contain, but
 22 need not be limited to, the following language:

23 Shall the transportation development district of _____ (transportation development
 24 district's name) impose a transportation development district-wide sales tax at the rate of _____
 25 (insert amount) for a period of _____ (insert number) years from the date on which such tax is
 26 first imposed for the purpose of _____ (insert transportation development purpose)?

27 YES NO

28

29 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 30 to the question, place an "X" in the box opposite "NO".

31

32 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
 33 of the proposal, then the resolution and any amendments thereto shall be in effect **as provided**
 34 **by subsection 19 of section 32.087**. If a majority of the votes cast by the qualified voters voting
 35 are opposed to the proposal, then the board of directors of the transportation development district
 36 shall have no power to impose the sales tax authorized by this section unless and until the board
 37 of directors of the transportation development district shall again have submitted another
 38 proposal to authorize it to impose the sales tax pursuant to the provisions of this section and such
 39 proposal is approved by a majority of the qualified voters voting thereon.

40 (3) ~~The sales tax authorized by this section shall become effective on the first day of the~~
 41 ~~second calendar quarter after the department of revenue receives notification of the tax.~~

42 ~~_____ (4) In each transportation development district in which a sales tax has been imposed in~~
 43 ~~the manner provided by this section, every retailer shall add the tax imposed by the transportation~~
 44 ~~development district pursuant to this section to the retailer's sale price, and when so added such~~

45 tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid,
46 and shall be recoverable at law in the same manner as the purchase price.

47 ~~——(5) In order to permit sellers required to collect and report the sales tax authorized by this~~
48 ~~section to collect the amount required to be reported and remitted, but not to change the~~
49 ~~requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid~~
50 ~~fractions of pennies, the transportation development district may establish appropriate brackets~~
51 ~~which shall be used in the district imposing a tax pursuant to this section in lieu of those brackets~~
52 ~~provided in section 144.285.~~

53 ~~——(6)]~~ All revenue received by a transportation development district from the tax
54 authorized by this section which has been designated for a certain transportation development
55 purpose shall be deposited in a special trust fund and shall be used solely for such designated
56 purpose. Upon the expiration of the period of years approved by the qualified voters pursuant
57 to subdivision (2) of this subsection or if the tax authorized by this section is repealed pursuant
58 to subsection 6 of this section, all funds remaining in the special trust fund shall continue to be
59 used solely for such designated transportation development purpose. Any funds in such special
60 trust fund which are not needed for current expenditures may be invested by the board of
61 directors in accordance with applicable laws relating to the investment of other transportation
62 development district funds.

63 ~~[(7)]~~ (4) The sales tax may be imposed in increments of one-eighth of one percent, up
64 to a maximum of one percent on the receipts from the sale at retail of all tangible personal
65 property or taxable services at retail within the transportation development district adopting such
66 tax, if such property and services are subject to taxation by the state of Missouri pursuant to ~~[the~~
67 ~~provisions of sections 144.010 to 144.525]~~ **chapter 144**, except such transportation development
68 district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard
69 motors ~~[nor to public utilities]~~. Any transportation development district sales tax imposed
70 pursuant to this section shall be imposed at a rate that shall be uniform throughout the district.

71 2. The resolution imposing the sales tax pursuant to this section shall impose upon all
72 sellers a tax for the privilege of engaging in the business of selling tangible personal property or
73 rendering taxable services at retail to the extent and in the manner provided ~~[in sections 144.010~~
74 ~~to 144.525]~~ **under chapter 144**, and the rules and regulations of the director of revenue issued
75 pursuant thereto; except that the rate of the tax shall be the rate imposed by the resolution as the
76 sales tax and the tax shall be reported and returned to and collected by the transportation
77 development district.

78 3. ~~[On and after the effective date of any tax imposed pursuant to this section, the~~
79 ~~director of revenue shall perform all functions incident to the administration, collection,~~
80 ~~enforcement, and operation of the tax, and the director of revenue shall collect, in addition to all~~

81 other sales taxes imposed by law, the additional tax authorized pursuant to this section. The tax
82 imposed pursuant to this section and the taxes imposed pursuant to all other laws of the state of
83 Missouri shall be collected together and reported upon such forms and pursuant to such
84 administrative rules and regulations as may be prescribed by the director of revenue.

85 ——— 4. (1) All applicable provisions contained in sections 144.010 to 144.525, governing the
86 state sales tax, sections 32.085 and 32.087 and section 32.057, the uniform confidentiality
87 provision, shall apply to the collection of the tax imposed by this section, except as modified in
88 this section.

89 ——— (2) All exemptions granted to agencies of government, organizations, persons and to the
90 sale of certain articles and items of tangible personal property and taxable services pursuant to
91 the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and
92 collection of the tax imposed by this section.

93 ——— (3) The same sales tax permit, exemption certificate and retail certificate required by
94 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
95 satisfy the requirements of this section, and no additional permit or exemption certificate or retail
96 certificate shall be required; except that the transportation development district may prescribe
97 a form of exemption certificate for an exemption from the tax imposed by this section.

98 ——— (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws
99 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made
100 applicable to any taxes collected pursuant to the provisions of this section.

101 ——— (5) The penalties provided in section 32.057 and sections 144.010 to 144.525 for
102 violation of those sections are hereby made applicable to violations of this section.

103 ——— (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all
104 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place
105 of business of the retailer unless the tangible personal property sold is delivered by the retailer
106 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an
107 out-of-state destination. In the event a retailer has more than one place of business in this state
108 which participates in the sale, the sale shall be deemed to be consummated at the place of
109 business of the retailer where the initial order for the tangible personal property is taken, even
110 though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or
111 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of
112 business from which the employee works.

113 ——— 5.] All sales taxes received by the transportation development district shall be deposited
114 by the director of revenue in a special fund to be expended for the purposes authorized in this
115 section. The director of revenue shall keep accurate records of the amount of money which was

116 collected pursuant to this section, and the records shall be open to the inspection of officers of
117 each transportation development district and the general public.

118 ~~[6-]~~ 4. (1) No transportation development district imposing a sales tax pursuant to this
119 section may repeal or amend such sales tax unless such repeal or amendment will not impair the
120 district's ability to repay any liabilities which it has incurred, money which it has borrowed or
121 revenue bonds, notes or other obligations which it has issued or which have been issued by the
122 commission or any local transportation authority to finance any project or projects.

123 (2) Whenever the board of directors of any transportation development district in which
124 a transportation development sales tax has been imposed in the manner provided by this section
125 receives a petition, signed by ten percent of the qualified voters calling for an election to repeal
126 such transportation development sales tax, the board of directors shall, if such repeal will not
127 impair the district's ability to repay any liabilities which it has incurred, money which it has
128 borrowed or revenue bonds, notes or other obligations which it has issued or which have been
129 issued by the commission or any local transportation authority to finance any project or projects,
130 submit to the qualified voters of such transportation development district a proposal to repeal the
131 transportation development sales tax imposed pursuant to the provisions of this section. If a
132 majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of
133 the proposal to repeal the transportation development sales tax, then the resolution imposing the
134 transportation development sales tax, along with any amendments thereto, is repealed **as**
135 **provided by subsection 19 of section 32.087**. If a majority of the votes cast by the qualified
136 voters voting thereon are opposed to the proposal to repeal the transportation development sales
137 tax, then the ordinance or resolution imposing the transportation development sales tax, along
138 with any amendments thereto, shall remain in effect.

139 ~~[7-]~~ 5. Notwithstanding any provision of sections 99.800 to 99.865 and this section to
140 the contrary, the sales tax imposed by a district whose project is a public mass transportation
141 system shall not be considered economic activity taxes as such term is defined under sections
142 99.805 and 99.918 and shall not be subject to allocation under the provisions of subsection 3 of
143 section 99.845, or subsection 4 of section 99.957.

144 **6. After the effective date of any tax imposed under the provisions of this section,**
145 **the director of revenue shall perform all functions incident to the administration,**
146 **collection, enforcement, and operation of the tax and collect, in addition to the sales tax for**
147 **the state of Missouri, the additional tax authorized under the authority of this section. The**
148 **tax imposed under this section and the tax imposed under the sales tax law of the state of**
149 **Missouri shall be collected together and reported upon such forms and under such**
150 **administrative rules and regulations as may be prescribed by the director of revenue.**

151 **7. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall**
 152 **apply to the tax imposed under this section.**

238.410. 1. Any county transit authority established pursuant to section 238.400 may
 2 impose a sales tax of up to one percent on all retail sales made in such county which are subject
 3 to taxation under ~~[the provisions of sections 144.010 to 144.525]~~ **chapter 144**. The tax
 4 authorized by this section shall be in addition to any and all other sales taxes allowed by law,
 5 except that no sales tax imposed under the provisions of this section shall be effective unless the
 6 governing body of the county, on behalf of the transit authority, submits to the voters of the
 7 county, at a county or state general, primary or special election, a proposal to authorize the transit
 8 authority to impose a tax.

9 2. The ballot of submission shall contain, but need not be limited to, the following
 10 language:

11 Shall the _____ Transit Authority impose a countywide sales tax of _____ (insert
 12 amount) in order to provide revenues for the operation of transportation facilities operated by the
 13 transit authority?

14 YES NO

15

16 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
 17 to the question, place an "X" in the box opposite "NO".

18

19 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
 20 of the proposal, then the tax shall become effective ~~[on the first day of the second calendar~~
 21 ~~quarter following notification to the department of revenue of adoption of the tax]~~ **as provided**
 22 **by subsection 19 of section 32.087**. If a majority of the votes cast by the qualified voters voting
 23 are opposed to the proposal, then the transit authority shall have no power to impose the sales
 24 tax authorized by this section unless and until another proposal to authorize the transit authority
 25 to impose the sales tax authorized by this section has been submitted and such proposal is
 26 approved by a majority of the qualified voters voting thereon.

27 3. All revenue received by the transit authority from the tax authorized under the
 28 provisions of this section shall be deposited in a special trust fund and shall be used solely by the
 29 transit authority for construction, purchase, lease, maintenance and operation of transportation
 30 facilities located within the county for so long as the tax shall remain in effect. Any funds in
 31 such special trust fund which are not needed for current expenditures may be invested by the
 32 transit authority in accordance with applicable laws relating to the investment of county funds.

33 4. No transit authority imposing a sales tax pursuant to this section may repeal or amend
 34 such sales tax unless such repeal or amendment is submitted to and approved by the voters of

35 the county in the same manner as provided in subsection 1 of this section for approval of such
36 tax. Whenever the governing body of any county in which a sales tax has been imposed in the
37 manner provided by this section receives a petition, signed by ten percent of the registered voters
38 of such county voting in the last gubernatorial election, calling for an election to repeal such sales
39 tax, the governing body shall submit to the voters of such county a proposal to repeal the sales
40 tax imposed under the provisions of this section. If a majority of the votes cast on the proposal
41 by the registered voters voting thereon are in favor of the proposal to repeal the sales tax, then
42 such sales tax is repealed **as provided by subsection 19 of section 32.087**. If a majority of the
43 votes cast by the registered voters voting thereon are opposed to the proposal to repeal the sales
44 tax, then such sales tax shall remain in effect.

45 5. The sales tax imposed under the provisions of this section shall impose upon all sellers
46 a tax for the privilege of engaging in the business of selling tangible personal property or
47 rendering taxable services at retail to the extent and in the manner provided in [~~sections 144.010~~
48 ~~to 144.525~~] **chapter 144** and the rules and regulations of the director of revenue issued pursuant
49 thereto; except that the rate of the tax shall be the rate approved pursuant to this section. The
50 amount reported and returned to the director of revenue by the seller shall be computed on the
51 basis of the combined rate of the tax imposed by [~~sections 144.010 to 144.525~~] **chapter 144** and
52 the tax imposed by this section, plus any amounts imposed under other provisions of law.

53 6. After the effective date of any tax imposed under the provisions of this section, the
54 director of revenue shall perform all functions incident to the administration, collection,
55 enforcement, and operation of the tax, and the director of revenue shall collect in addition to the
56 sales tax for the state of Missouri the additional tax authorized under the authority of this section.
57 The tax imposed under this section and the tax imposed under the sales tax law of the state of
58 Missouri shall be collected together and reported upon such forms and under such administrative
59 rules and regulations as may be prescribed by the director of revenue. In order to permit sellers
60 required to collect and report the sales tax to collect the amount required to be reported and
61 remitted, but not to change the requirements of reporting or remitting tax or to serve as a levy
62 of the tax, and in order to avoid fractions of pennies, the applicable provisions of section 144.285
63 shall apply to all taxable transactions.

64 7. All applicable provisions contained in [~~sections 144.010 to 144.525~~] **chapter 144**
65 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall
66 apply to the collection of the tax imposed by this section, except as modified in this section. All
67 exemptions granted to agencies of government, organizations, persons and to the sale of certain
68 articles and items of tangible personal property and taxable services under the provisions of
69 [~~sections 144.010 to 144.525~~] **chapter 144** are hereby made applicable to the imposition and
70 collection of the tax imposed by this section. The same sales tax permit, exemption certificate

71 and retail certificate required by ~~[sections 144.010 to 144.525]~~ **chapter 144** for the
72 administration and collection of the state sales tax shall satisfy the requirements of this section,
73 and no additional permit or exemption certificate or retail certificate shall be required; except
74 that the director of revenue may prescribe a form of exemption certificate for an exemption from
75 the tax imposed by this section. All discounts allowed the retailer under the provisions of the
76 state sales tax law for the collection of and for payment of taxes under chapter 144 are hereby
77 allowed and made applicable to any taxes collected under the provisions of this section. The
78 penalties provided in section 32.057 and sections 144.010 to 144.525 for a violation of those
79 sections are hereby made applicable to violations of this section.

80 8. ~~[For the purposes of a sales tax imposed pursuant to this section, all retail sales shall~~
81 ~~be deemed to be consummated at the place of business of the retailer, except for tangible~~
82 ~~personal property sold which is delivered by the retailer or his agent to an out-of-state destination~~
83 ~~or to a common carrier for delivery to an out-of-state destination and except for the sale of motor~~
84 ~~vehicles, trailers, boats and outboard motors, which is provided for in subsection 12 of this~~
85 ~~section. In the event a retailer has more than one place of business in this state which~~
86 ~~participates in the sale, the sale shall be deemed to be consummated at the place of business of~~
87 ~~the retailer where the initial order for the tangible personal property is taken, even though the~~
88 ~~order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A~~
89 ~~sale by a retailer's employee shall be deemed to be consummated at the place of business from~~
90 ~~which he works.~~

91 ~~———9.] All sales taxes collected by the director of revenue under this section on behalf of any~~
92 ~~transit authority[, less one percent for cost of collection which shall be deposited in the state's~~
93 ~~general revenue fund after payment of premiums for surety bonds as provided in this section,]~~
94 shall be deposited in the state treasury in a special trust fund, which is hereby created, to be
95 known as the "County Transit Authority Sales Tax Trust Fund". ~~[The moneys in the county~~
96 ~~transit authority sales tax trust fund shall not be deemed to be state funds and shall not be~~
97 ~~commingled with any funds of the state.]~~ The director of revenue shall keep accurate records of
98 the amount of money in the trust fund which was collected in each transit authority imposing a
99 sales tax under this section, and the records shall be open to the inspection of officers of the
100 county and the public. Not later than the tenth day of each month the director of revenue shall
101 distribute all moneys deposited in the trust fund during the preceding month to the transit
102 authority which levied the tax.

103 ~~[+0.]~~ 9. The director of revenue may authorize the state treasurer to make refunds from
104 the amounts in the trust fund and credited to any transit authority for erroneous payments and
105 overpayments made, and may authorize the state treasurer to redeem dishonored checks and
106 drafts deposited to the credit of such transit authorities. If any transit authority abolishes the tax,

107 the transit authority shall notify the director of revenue of the action [~~at least ninety days prior~~
108 ~~to the effective date of the repeal~~] and the director of revenue may order retention in the trust
109 fund, for a period of one year, of two percent of the amount collected after receipt of such notice
110 to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts
111 deposited to the credit of such accounts. After one year has elapsed after the effective date of
112 abolition of the tax in such transit authority, the director of revenue shall authorize the state
113 treasurer to remit the balance in the account to the transit authority and close the account of that
114 transit authority. The director of revenue shall notify each transit authority of each instance of
115 any amount refunded or any check redeemed from receipts due the transit authority. The director
116 of revenue shall annually report on his management of the trust fund and administration of the
117 sales taxes authorized by this section. He shall provide each transit authority imposing the tax
118 authorized by this section with a detailed accounting of the source of all funds received by him
119 for the transit authority.

120 ~~[11.]~~ **10.** The director of revenue and any of his deputies, assistants and employees who
121 shall have any duties or responsibilities in connection with the collection, deposit, transfer,
122 transmittal, disbursement, safekeeping, accounting, or recording of funds which come into the
123 hands of the director of revenue under the provisions of this section shall enter a surety bond or
124 bonds payable to any and all transit authorities in whose behalf such funds have been collected
125 under this section in the amount of one hundred thousand dollars; but the director of revenue
126 may enter into a blanket bond or bonds covering himself and all such deputies, assistants and
127 employees. The cost of the premium or premiums for the surety bond or bonds shall be paid by
128 the director of revenue from the share of the collection retained by the director of revenue for the
129 benefit of the state.

130 ~~[12.]~~ **11.** Sales taxes imposed pursuant to this section and use taxes on the purchase and
131 sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted
132 by the seller, but shall be collected by the director of revenue at the time application is made for
133 a certificate of title, if the address of the applicant is within a county where a sales tax is imposed
134 under this section. The amounts so collected, less the one percent collection cost, shall be
135 deposited in the county transit authority sales tax trust fund. The purchase or sale of motor
136 vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the address
137 of the applicant. As used in this subsection, the term "boat" shall only include motorboats and
138 vessels as the terms "motorboat" and "vessel" are defined in section 306.010.

139 ~~[13.]~~ **12.** In any county where the transit authority sales tax has been imposed, if any
140 person is delinquent in the payment of the amount required to be paid by him under this section
141 or in the event a determination has been made against him for taxes and penalty under this
142 section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall

143 be the same as that provided in sections 144.010 to 144.525. Where the director of revenue has
144 determined that suit must be filed against any person for the collection of delinquent taxes due
145 the state under the state sales tax law, and where such person is also delinquent in payment of
146 taxes under this section, the director of revenue shall notify the transit authority to which
147 delinquent taxes are due under this section by United States registered mail or certified mail at
148 least ten days before turning the case over to the attorney general. The transit authority, acting
149 through its attorney, may join in such suit as a party plaintiff to seek a judgment for the
150 delinquent taxes and penalty due such transit authority. In the event any person fails or refuses
151 to pay the amount of any sales tax due under this section, the director of revenue shall promptly
152 notify the transit authority to which the tax would be due so that appropriate action may be taken
153 by the transit authority.

154 ~~[14.]~~ **13.** Where property is seized by the director of revenue under the provisions of any
155 law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax
156 imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any
157 tax imposed by this section, the director of revenue shall permit the transit authority to join in
158 any sale of property to pay the delinquent taxes and penalties due the state and to the transit
159 authority under this section. The proceeds from such sale shall first be applied to all sums due
160 the state, and the remainder, if any, shall be applied to all sums due such transit authority under
161 this section.

162 ~~[15. The transit authority created under the provisions of sections 238.400 to 238.412~~
163 ~~shall notify any and all affected businesses of the change in tax rate caused by the imposition of~~
164 ~~the tax authorized by sections 238.400 to 238.412.~~

165 ~~———16.]~~ **14.** In the event that any transit authority in any county with a charter form of
166 government and with more than two hundred fifty thousand but fewer than three hundred fifty
167 thousand inhabitants submits a proposal in any election to increase the sales tax under this
168 section, and such proposal is approved by the voters, the county shall be reimbursed for the costs
169 of submitting such proposal from the funds derived from the tax levied under this section.

170 **15. Except as provided in sections 238.400 to 238.412, all provisions of sections**
171 **32.085 to 32.087 shall apply to the tax imposed under sections 238.410 to 238.412.**

620.1350. 1. The words used in this section and sections 620.1355 and 620.1360 shall,
2 unless the context otherwise requires, have the meaning provided in subdivision (4) of subsection
3 2 of section 143.451, and in addition, the following words shall have the following meanings:

4 (1) "Department", the department of economic development;

5 (2) "Director", the director of the department of economic development.

6 2. An investment funds service corporation or S corporation, certified pursuant to this
7 section and sections 620.1355 and 620.1360, may make an annual election to compute the

8 portion of income derived from sources within this state either pursuant to section 143.451 or
9 pursuant to section 32.200 relating to the multistate tax compact. The annual election shall be
10 made by the filing of a corporate income tax return reflecting the use of such election and by
11 filing a copy of the certificate issued by the director pursuant to the provisions of this section and
12 sections 620.1355 and 620.1360. The annual election may be made regardless of whether the
13 corporation filed its income tax return on a single entity basis or was included in a consolidated
14 income tax return in any year.

15 **3. Notwithstanding the provisions of subsection 2 of this section to the contrary, for**
16 **all tax years beginning on or after January 1, 2019, an investment funds service**
17 **corporation or S corporation, certified under this section and sections 620.1355 and**
18 **620.1360, shall compute the portion of income derived from sources within this state under**
19 **section 143.455.**

620.3200. The department of economic development may, in addition to the fees
2 provided under section 620.1900, charge a fee to the recipient of any tax credits issued by
3 the department under the provisions of chapter 253 in an amount not to exceed one percent
4 of the amount of tax credits issued. The fee shall be payable to the Missouri development
5 finance board for the benefit of the capitol complex fund established under section
6 620.3210 and shall be paid by the recipient upon the issuance of the tax credits. The
7 department of economic development shall issue invoices for fees payable under this
8 section.

620.3210. 1. This section shall be known and may be cited as the "Capitol Complex
2 Tax Credit Act".

3 **2. As used in this section, the following terms shall mean:**

- 4 **(1) "Board", the Missouri development finance board, a body corporate and politic**
5 **created under sections 100.250 to 100.297 and 100.700 to 100.850;**
6 **(2) "Capitol complex", the following buildings located in Jefferson City, Missouri:**
7 **(a) State capitol building, 201 West Capitol Avenue;**
8 **(b) Supreme court building, 207 West High Street;**
9 **(c) Old Federal Courthouse, 131 West High Street;**
10 **(d) Highway building, 105 Capitol Avenue; and**
11 **(e) Governor's mansion, 100 Madison Street;**
12 **(3) "Certificate", a tax credit certificate issued under this section;**
13 **(4) "Department", the Missouri department of economic development;**
14 **(5) "Eligible artifact", any items of personal property specifically for display in a**
15 **building in the capitol complex or former fixtures which were previously owned by the**
16 **state and used within the capitol complex, but which had been removed. The board of**

17 public buildings shall, in their sole discretion, make all determinations as to which items
18 are eligible artifacts and may employ such experts as may be useful to them in making such
19 a determination;

20 (6) "Eligible artifact donation", a donation of an eligible artifact to the board of
21 public buildings. The value of such donation shall be set by the board of public buildings
22 who may employ such experts as may be useful to them in making such a determination.
23 The board of public buildings shall, in their sole discretion, determine if an artifact is to
24 be accepted;

25 (7) "Eligible monetary donation", donations received from a qualified donor to the
26 capitol complex fund, created in this section, or to an organization exempt from taxation
27 under 501(c)(3) of the Internal Revenue Service Code of 1986, as amended, whose mission
28 and purpose is to restore, renovate, improve, and maintain one or more buildings in the
29 capitol complex, that are to be used solely for projects to restore, renovate, improve, and
30 maintain buildings and their furnishings in the capitol complex and the administration
31 thereof. Eligible donations may include:

32 (a) Cash, including checks, money orders, credit card payments, or similar cash
33 equivalents valued at the face value of the currency. Currency of other nations shall be
34 valued based on the exchange rate on the date of the gift. The date of the donation shall
35 be the date that cash or check is received by the applicant or the date posted to the donor's
36 account in the case of credit or debit cards;

37 (b) Stocks from a publicly traded company; or

38 (c) Bonds which are publicly traded;

39 (8) "Eligible recipient", the capitol complex fund, created in this section, or an
40 organization exempt from taxation under 501(c)(3) of the Internal Revenue Service Code
41 of 1986, as amended, whose mission and purpose is to restore, renovate, improve, and
42 maintain one or more buildings in the capitol complex;

43 (9) "Qualified donor", any of the following individuals or entities who make an
44 eligible monetary donation or eligible artifact donation to the capitol complex fund or other
45 eligible recipient:

46 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S
47 corporation doing business in the state of Missouri and subject to the state income tax
48 imposed in chapter 143;

49 (b) A corporation subject to the annual corporation franchise tax imposed in
50 chapter 147;

51 (c) An insurance company paying an annual tax on its gross premium receipts in
52 this state;

53 (d) Any other financial institution paying taxes to the state of Missouri or any
54 political subdivision of this state under chapter 148;

55 (e) An individual subject to the state income tax imposed in chapter 143; or

56 (f) Any charitable organization, including any foundation or not-for-profit
57 corporation, which is exempt from federal income tax and whose Missouri unrelated
58 business taxable income, if any, would be subject to the state income tax imposed under
59 chapter 143.

60 3. There is hereby created a fund to be known as the "Capitol Complex Fund",
61 separate and distinct from all other board funds, which is hereby authorized to receive any
62 eligible monetary donation as provided in this section and revenues derived from fees
63 imposed under section 620.3200. The capitol complex fund shall be segregated into two
64 accounts: a rehabilitation and renovation account and a maintenance account. Ninety
65 percent of the revenues received from eligible donations under the provisions of this section
66 and fees collected under section 620.3000 shall be deposited in the rehabilitation and
67 renovation account and seven and one-half percent of such revenues shall be deposited in
68 the maintenance account. The assets of these accounts, together with any interest which
69 may accrue thereon, shall be used by the board solely for the purposes of restoration and
70 maintenance of the building of the capitol complex as defined in this section, and for no
71 other purpose. The remaining two and one-half percent of the revenues deposited into the
72 fund may be used for the purposes of soliciting donations to the fund, advertising and
73 promoting the fund, and administrative costs of administering the fund. Any amounts not
74 used for those purposes shall be deposited back into the rehabilitation and renovation
75 account and the maintenance account divided in the manner set forth in this section. The
76 board may, as an administrative cost, use the funds to hire fundraising professionals and
77 such other experts or advisors as may be necessary to carry out the board's duties under
78 this section. The choice of projects for which the moneys are to be used, as well as the
79 determination of the methods of carrying out the project and the procurement of goods and
80 services thereon, shall be made by the commissioner of administration. No moneys shall
81 be released from the fund for any expense without the approval of the commissioner of
82 administration, who may delegate that authority as deemed appropriate. All contracts for
83 rehabilitation, renovation, or maintenance work shall be the responsibility of the
84 commissioner of administration. A memorandum of understanding may be executed
85 between the commissioner of administration and the board determining the processes for
86 obligation, reservation, and payment of eligible costs from the fund. The commission of
87 administration shall not obligate costs in excess of the fund balance. The board shall not
88 be responsible for any costs obligated in excess of available funds and shall be held

89 harmless in any contracts related to rehabilitation, renovation, and maintenance of capitol
90 complex buildings. No other board funds shall be used to pay obligations made by the
91 commissioner of administration related to activities under this section.

92 4. For all tax years beginning on or after January 1, 2018, any qualified donor shall
93 be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for
94 sections 143.191 to 143.265, in an amount of fifty percent of the eligible monetary donation.
95 The amount of the tax credit claimed may exceed the amount of the donor's state income
96 tax liability in the tax year for which the credit is claimed. Any amount of credit that
97 exceeds the qualified donor's state income tax liability may be refundable or may be
98 carried forward to any of the taxpayer's four subsequent tax years.

99 5. For all tax years beginning on or after January 1, 2018, any qualified donor shall
100 be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for
101 sections 143.191 to 143.265, in an amount of thirty percent of the eligible artifact donation.
102 The amount of the tax credit claimed may not exceed the amount of the qualified donor's
103 state income tax liability in the tax year for which the credit is claimed. Any amount of
104 credit that exceeds the qualified donor's state income tax liability shall not be refundable
105 but may be carried forward to any other taxpayer's four subsequent tax years.

106 6. To claim a credit for an eligible monetary donation as set forth in subsection 4
107 of this section, a qualified donor shall make an eligible monetary donation to the board as
108 custodian of the capitol complex fund or other eligible recipient. Upon receipt of such
109 donation, the board or other eligible recipient shall issue to the qualified donor a statement
110 evidencing receipt of such donation, including the value of such donation, with a copy to
111 the department. Upon receipt of the statement from the eligible recipient, the department
112 shall issue a tax credit certificate equal to fifty percent of the amount of the donation, to
113 the qualified donor, as indicated in the statement from the eligible recipient.

114 7. To claim a credit for an eligible artifact donation as set forth in subsection 5 of
115 this section, a qualified donor shall donate an eligible artifact to the board of public
116 buildings. If the board of public buildings determines that artifact is an eligible artifact
117 and has determined to accept the artifact, it shall issue a statement of donation to the
118 eligible donor specifying the value placed on the artifact by the board of public buildings,
119 with a copy to the department. Upon receiving a statement from the board of public
120 buildings, the department shall issue a tax credit certificate, equal to thirty percent of the
121 amount of the donation, to the qualified donor as indicated in the statement from the board
122 of public buildings.

123 8. The department shall not authorize more than ten million dollars in tax credits
124 provided under this section in any calendar year. Donations shall be processed for tax

125 **credits on a first-come, first-served basis. Donations received in excess of the tax credit cap**
126 **shall be placed in line for tax credits issued the following year, shall be given the**
127 **opportunity to complete their donation without the expectation of a tax credit, or shall**
128 **request to have their donation returned.**

129 **9. Tax credits issued under the provisions of this section shall not be subject to the**
130 **payment of any fee required under the provisions of section 620.1900.**

131 **10. Tax credits issued under this section may be assigned, transferred, sold, or**
132 **otherwise conveyed, and the new owner of the tax credit shall have the same rights in the**
133 **credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise**
134 **conveyed, a notarized endorsement shall be filed with the department specifying the name**
135 **and address of the new owner of the tax credit and the value of the credit.**

136 **11. The department may promulgate rules to implement the provisions of this**
137 **section. Any rule or portion of a rule, as that term is defined in section 536.010 that is**
138 **created under the authority delegated in this section shall become effective only if it**
139 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
140 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
141 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**
142 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
143 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2018,**
144 **shall be invalid and void.**

145 **12. Under section 23.253 of the Missouri sunset act:**

146 **(1) The provisions of the new program authorized under this section shall sunset**
147 **automatically six years after August 28, 2018, unless reauthorized by an act of the general**
148 **assembly; and**

149 **(2) If such program is reauthorized, the program authorized under this section**
150 **shall sunset automatically twelve years after August 28, 2018; and**

151 **(3) This section shall terminate on September first of the calendar year immediately**
152 **following the calendar year in which the program authorized under this section is sunset.**

644.032. 1. The governing body of any municipality or county may impose, by
2 ordinance or order, a sales tax in an amount not to exceed one-half of one percent on all retail
3 sales made in such municipality or county which are subject to taxation under the provisions of
4 ~~[sections 144.010 to 144.525]~~ **chapter 144.** The tax authorized by this section and section
5 644.033 shall be in addition to any and all other sales taxes allowed by law, except that no
6 ordinance or order imposing a sales tax under the provisions of this section and section 644.033
7 shall be effective unless the governing body of the municipality or county submits to the voters
8 of the municipality or county, at a municipal, county or state general, primary or special election,

9 a proposal to authorize the governing body of the municipality or county to impose a tax,
10 provided, that the tax authorized by this section shall not be imposed on the sales of food, as
11 defined in section 144.014, when imposed by any county with a charter form of government and
12 with more than one million inhabitants.

13 2. The ballot of submission shall contain, but need not be limited to, the following
14 language:

15 Shall the municipality (county) of _____ impose a sales tax of _____ (insert
16 amount) for the purpose of providing funding for _____ (insert either storm
17 water control, or local parks, or storm water control and local parks) for the
18 municipality (county)?

19 YES NO

20

21 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
22 of the proposal, then the ordinance or order and any amendments thereto shall ~~be in effect on~~
23 ~~the first day of the second quarter after the director of revenue receives notice of adoption of the~~
24 ~~tax]~~ **become effective as provided in subsection 19 of section 32.087.** If a majority of the votes
25 cast by the qualified voters voting are opposed to the proposal, then the governing body of the
26 municipality or county shall not impose the sales tax authorized in this section and section
27 644.033 until the governing body of the municipality or county resubmits another proposal to
28 authorize the governing body of the municipality or county to impose the sales tax authorized
29 by this section and section 644.033 and such proposal is approved by a majority of the qualified
30 voters voting thereon; however, in no event shall a proposal pursuant to this section and section
31 644.033 be submitted to the voters sooner than twelve months from the date of the last proposal
32 pursuant to this section and section 644.033.

33 3. All revenue received by a municipality or county from the tax authorized under the
34 provisions of this section and section 644.033 shall be deposited in a special trust fund and shall
35 be used to provide funding for storm water control or for local parks, or both, within such
36 municipality or county, provided that such revenue may be used for local parks outside such
37 municipality or county if the municipality or county is engaged in a cooperative agreement
38 pursuant to section 70.220.

39 4. Any funds in such special trust fund which are not needed for current expenditures
40 may be invested by the governing body in accordance with applicable laws relating to the
41 investment of other municipal or county funds.

42 **5. Except as provided by this section, all provisions of sections 32.085 to 32.087 shall**
43 **apply to the tax imposed under this section.**

2 ~~[66.601. The duties of the director of revenue with respect to the~~
3 ~~allocation, division and distribution of sales and use tax proceeds determined to~~
4 ~~be due any county of the first classification having a charter form of government~~
5 ~~and having a population of nine hundred thousand or more inhabitants and all~~
6 ~~municipalities within such county, resulting from taxes levied or imposed under~~
7 ~~the authority of sections 66.600 to 66.630, section 144.748, and sections 94.850~~
8 ~~to 94.857, may be delegated to the county levying the county sales tax under~~
9 ~~sections 66.600 to 66.630, at the discretion of the director of revenue and with the~~
10 ~~consent of the county. Notwithstanding the provisions of section 32.057 to the~~
11 ~~contrary, if such duties are so assigned, the director of revenue shall furnish the~~
12 ~~county with sufficient information to perform such duties in such form as may be~~
13 ~~agreed upon by the director and the county at no cost to the county. The county~~
14 ~~shall be bound by the provisions of section 32.057, and shall use any information~~
15 ~~provided by the director of revenue under the provisions of this section solely for~~
16 ~~the purpose of allocating, dividing and distributing such sales and use tax~~
17 ~~revenues. The county shall exercise all of the director's powers and duties with~~
18 ~~respect to such allocation, division and distribution, and shall receive no fee for~~
19 ~~carrying out such powers and duties.]~~

2 ~~[67.1713. Beginning January 1, 2002, there is hereby specifically~~
3 ~~exempted from the tax imposed pursuant to section 67.1712 all sales of food as~~
4 ~~defined by section 144.014.]~~

2 ~~[67.1971. All entities remitting the sales tax authorized pursuant to~~
3 ~~section 67.1959 shall have their liability reduced by an amount equal to~~
4 ~~twenty-five percent of any taxes collected and remitted pursuant to sections~~
5 ~~94.802 to 94.805.]~~

2 ~~[144.069. All sales taxes associated with the titling of motor vehicles,~~
3 ~~trailers, boats and outboard motors under the laws of Missouri shall be imposed~~
4 ~~at the rate in effect at the location of the address of the owner thereof, and all~~
5 ~~sales taxes associated with the titling of vehicles under leases of over sixty-day~~
6 ~~duration of motor vehicles, trailers, boats and outboard motors shall be imposed~~
7 ~~at the rate in effect, unless the vehicle, trailer, boat or motor has been registered~~
8 ~~and sales taxes have been paid prior to the consummation of the lease agreement~~
 ~~at the location of the address of the lessee thereof on the date the lease is~~

9 consummated, and all applicable sales taxes levied by any political subdivision
10 shall be collected and remitted on such sales from the purchaser or lessee by the
11 state department of revenue on that basis.]
12

~~[144.517. In addition to the exemptions granted pursuant to section
2 144.030, there shall also be exempted from state sales and use taxes all sales of
3 textbooks, as defined by section 170.051, when such textbook is purchased by a
4 student who possesses proof of current enrollment at any Missouri public or
5 private university, college or other postsecondary institution of higher learning
6 offering a course of study leading to a degree in the liberal arts, humanities or
7 sciences or in a professional, vocational or technical field, provided that the
8 books which are exempt from state sales tax are those required or recommended
9 for a class. Upon request the institution or department must provide at least one
10 list of textbooks to the bookstore each semester. Alternately, the student may
11 provide to the bookstore a list from the instructor, department or institution of his
12 or her required or recommended textbooks. This exemption shall not apply to
13 any locally imposed sales or use tax.]~~
14

~~[144.605. The following words and phrases as used in sections 144.600
2 to 144.745 mean and include:~~

3 ~~————— (1) "Calendar quarter", the period of three consecutive calendar months
4 ending on March thirty-first, June thirtieth, September thirtieth or December
5 thirty-first;~~

6 ~~————— (2) "Engages in business activities within this state" includes:~~

7 ~~————— (a) Maintaining or having a franchisee or licensee operating under the
8 seller's trade name in this state if the franchisee or licensee is required to collect
9 sales tax pursuant to sections 144.010 to 144.525;~~

10 ~~————— (b) Soliciting sales or taking orders by sales agents or traveling
11 representatives;~~

12 ~~————— (c) A vendor is presumed to engage in business activities within this state
13 if any person, other than a common carrier acting in its capacity as such, that has
14 substantial nexus with this state:~~

15 ~~————— a. Sells a similar line of products as the vendor and does so under the
16 same or a similar business name;~~

17 ~~_____ b. Maintains an office, distribution facility, warehouse, or storage place,~~
18 ~~or similar place of business in the state to facilitate the delivery of property or~~
19 ~~services sold by the vendor to the vendor's customers;~~

20 ~~_____ c. Delivers, installs, assembles, or performs maintenance services for the~~
21 ~~vendor's customers within the state;~~

22 ~~_____ d. Facilitates the vendor's delivery of property to customers in the state~~
23 ~~by allowing the vendor's customers to pick up property sold by the vendor at an~~
24 ~~office, distribution facility, warehouse, storage place, or similar place of business~~
25 ~~maintained by the person in the state; or~~

26 ~~_____ e. Conducts any other activities in the state that are significantly~~
27 ~~associated with the vendor's ability to establish and maintain a market in the state~~
28 ~~for the sales;~~

29 ~~_____ (d) The presumption in paragraph (c) may be rebutted by demonstrating~~
30 ~~that the person's activities in the state are not significantly associated with the~~
31 ~~vendor's ability to establish or maintain a market in this state for the vendor's~~
32 ~~sales;~~

33 ~~_____ (e) Notwithstanding paragraph (c), a vendor shall be presumed to engage~~
34 ~~in business activities within this state if the vendor enters into an agreement with~~
35 ~~one or more residents of this state under which the resident, for a commission or~~
36 ~~other consideration, directly or indirectly refers potential customers, whether by~~
37 ~~a link on an internet website, an in-person oral presentation, telemarketing, or~~
38 ~~otherwise, to the vendor, if the cumulative gross receipts from sales by the vendor~~
39 ~~to customers in the state who are referred to the vendor by all residents with this~~
40 ~~type of an agreement with the vendor is in excess of ten thousand dollars during~~
41 ~~the preceding twelve months;~~

42 ~~_____ (f) The presumption in paragraph (e) may be rebutted by submitting proof~~
43 ~~that the residents with whom the vendor has an agreement did not engage in any~~
44 ~~activity within the state that was significantly associated with the vendor's ability~~
45 ~~to establish or maintain the vendor's market in the state during the preceding~~
46 ~~twelve months. Such proof may consist of sworn written statements from all of~~
47 ~~the residents with whom the vendor has an agreement stating that they did not~~
48 ~~engage in any solicitation in the state on behalf of the vendor during the~~
49 ~~preceding year provided that such statements were provided and obtained in good~~
50 ~~faith;~~

51 ~~_____ (3) "Maintains a place of business in this state" includes maintaining,~~
52 ~~occupying, or using, permanently or temporarily, directly or indirectly, by~~

53 ~~whatever name called, an office, place of distribution, sales or sample room or~~
54 ~~place, warehouse or storage place, or other place of business in this state, whether~~
55 ~~owned or operated by the vendor or by any other person other than a common~~
56 ~~carrier acting in its capacity as such;~~

57 ~~————— (4) "Person", any individual, firm, copartnership, joint venture,~~
58 ~~association, corporation, municipal or private, and whether organized for profit~~
59 ~~or not, state, county, political subdivision, state department, commission, board,~~
60 ~~bureau or agency, except the state transportation department, estate, trust,~~
61 ~~business trust, receiver or trustee appointed by the state or federal court,~~
62 ~~syndicate, or any other group or combination acting as a unit, and the plural as~~
63 ~~well as the singular number;~~

64 ~~————— (5) "Purchase", the acquisition of the ownership of, or title to, tangible~~
65 ~~personal property, through a sale, as defined herein, for the purpose of storage,~~
66 ~~use or consumption in this state;~~

67 ~~————— (6) "Purchaser", any person who is the recipient for a valuable~~
68 ~~consideration of any sale of tangible personal property acquired for use, storage~~
69 ~~or consumption in this state;~~

70 ~~————— (7) "Sale", any transfer, barter or exchange of the title or ownership of~~
71 ~~tangible personal property, or the right to use, store or consume the same, for a~~
72 ~~consideration paid or to be paid, and any transaction whether called leases,~~
73 ~~rentals, bailments, loans, conditional sales or otherwise, and notwithstanding that~~
74 ~~the title or possession of the property or both is retained for security. For the~~
75 ~~purpose of this law the place of delivery of the property to the purchaser, user,~~
76 ~~storer or consumer is deemed to be the place of sale, whether the delivery be by~~
77 ~~the vendor or by common carriers, private contractors, mails, express, agents,~~
78 ~~salesmen, solicitors, hawkers, representatives, consignors, peddlers, canvassers~~
79 ~~or otherwise;~~

80 ~~————— (8) "Sales price", the consideration including the charges for services,~~
81 ~~except charges incident to the extension of credit, paid or given, or contracted to~~
82 ~~be paid or given, by the purchaser to the vendor for the tangible personal~~
83 ~~property, including any services that are a part of the sale, valued in money,~~
84 ~~whether paid in money or otherwise, and any amount for which credit is given to~~
85 ~~the purchaser by the vendor, without any deduction therefrom on account of the~~
86 ~~cost of the property sold, the cost of materials used, labor or service cost, losses~~
87 ~~or any other expenses whatsoever, except that cash discounts allowed and taken~~
88 ~~on sales shall not be included and "sales price" shall not include the amount~~

89 charged for property returned by customers upon rescission of the contract of
90 sales when the entire amount charged therefor is refunded either in cash or credit
91 or the amount charged for labor or services rendered in installing or applying the
92 property sold, the use, storage or consumption of which is taxable pursuant to
93 sections 144.600 to 144.745. The sales price shall not include usual and
94 customary delivery charges that are separately stated. In determining the amount
95 of tax due pursuant to sections 144.600 to 144.745, any charge incident to the
96 extension of credit shall be specifically exempted;

97 ~~————— (9) "Selling agent", every person acting as a representative of a principal,
98 when such principal is not registered with the director of revenue of the state of
99 Missouri for the collection of the taxes imposed pursuant to sections 144.010 to
100 144.525 or sections 144.600 to 144.745 and who receives compensation by
101 reason of the sale of tangible personal property of the principal, if such property
102 is to be stored, used, or consumed in this state;~~

103 ~~————— (10) "Storage", any keeping or retention in this state of tangible personal
104 property purchased from a vendor, except property for sale or property that is
105 temporarily kept or retained in this state for subsequent use outside the state;~~

106 ~~————— (11) "Tangible personal property", all items subject to the Missouri sales
107 tax as provided in subdivisions (1) and (3) of section 144.020;~~

108 ~~————— (12) "Taxpayer", any person remitting the tax or who should remit the tax
109 levied by sections 144.600 to 144.745;~~

110 ~~————— (13) "Use", the exercise of any right or power over tangible personal
111 property incident to the ownership or control of that property, except that it does
112 not include the temporary storage of property in this state for subsequent use
113 outside the state, or the sale of the property in the regular course of business;~~

114 ~~————— (14) "Vendor", every person engaged in making sales of tangible personal
115 property by mail order, by advertising, by agent or peddling tangible personal
116 property, soliciting or taking orders for sales of tangible personal property, for
117 storage, use or consumption in this state, all salesmen, solicitors, hawkers,
118 representatives, consignees, peddlers or canvassers, as agents of the dealers,
119 distributors, consignors, supervisors, principals or employers under whom they
120 operate or from whom they obtain the tangible personal property sold by them,
121 and every person who maintains a place of business in this state, maintains a
122 stock of goods in this state, or engages in business activities within this state and
123 every person who engages in this state in the business of acting as a selling agent
124 for persons not otherwise vendors as defined in this subdivision. Irrespective of~~

125 whether they are making sales on their own behalf or on behalf of the dealers,
 126 distributors, consignors, supervisors, principals or employers, they must be
 127 regarded as vendors and the dealers, distributors, consignors, supervisors,
 128 principals or employers must be regarded as vendors for the purposes of sections
 129 144.600 to 144.745.]

130

[144.1000. Sections 144.1000 to 144.1015 shall be known as and referred
 2 to as the "Simplified Sales and Use Tax Administration Act".]

3

[144.1003. As used in sections 144.1000 to 144.1015, the following
 2 terms shall mean:

2

- 3 ~~————— (1) "Agreement", the streamlined sales and use tax agreement;~~
- 4 ~~————— (2) "Certified automated system", software certified jointly by the states~~
 5 ~~that are signatories to the agreement to calculate the tax imposed by each~~
 6 ~~jurisdiction on a transaction, determine the amount of tax to remit to the~~
 7 ~~appropriate state and maintain a record of the transaction;~~
- 8 ~~————— (3) "Certified service provider", an agent certified jointly by the states~~
 9 ~~that are signatories to the agreement to perform all of the seller's sales tax~~
 10 ~~functions;~~
- 11 ~~————— (4) "Person", an individual, trust, estate, fiduciary, partnership, limited~~
 12 ~~liability company, limited liability partnership, corporation or any other legal~~
 13 ~~entity;~~
- 14 ~~————— (5) "Sales tax", any sales tax levied pursuant to this chapter, section~~
 15 ~~32.085, or any other sales tax authorized by statute and levied by this state or its~~
 16 ~~political subdivisions;~~
- 17 ~~————— (6) "Seller", any person making sales, leases or rentals of personal~~
 18 ~~property or services;~~
- 19 ~~————— (7) "State", any state of the United States and the District of Columbia;~~
- 20 ~~————— (8) "Use tax", the use tax levied pursuant to this chapter.]~~

21

[144.1006. For the purposes of reviewing and, if necessary, amending the
 2 agreement embodying the simplification recommendations contained in section
 3 144.1015, the state may enter into multistate discussions. For purposes of such
 4 discussions, the state shall be represented by seven delegates, one of whom shall
 5 be appointed by the governor, two members appointed by the speaker of the
 6 house of representatives, one member appointed by the minority leader of the

7 house of representatives, two members appointed by the president pro tempore
 8 of the senate and one member appointed by the minority leader of the senate.
 9 The delegates need not be members of the general assembly and at least one of
 10 the delegates appointed by the speaker of the house of representatives and one
 11 member appointed by the president pro tempore of the senate shall be from the
 12 private sector and represent the interests of Missouri businesses. The delegates
 13 shall recommend to the committees responsible for reviewing tax issues in the
 14 senate and the house of representatives each year any amendment of state statutes
 15 required to be substantially in compliance with the agreement. Such delegates
 16 shall make a written report by the fifteenth day of January each year regarding the
 17 status of the multistate discussions and upon final adoption of the terms of the
 18 sales and use tax agreement by the multistate body.]

19

2 [144.1009. No provision of the agreement authorized by sections
 3 144.1000 to 144.1015 in whole or in part invalidates or amends any provision of
 4 the law of this state. Implementation of any condition of this agreement in this
 5 state, whether adopted before, at, or after membership of this state in the
 6 agreement, must be by action of the general assembly. Such report shall be
 7 delivered to the governor, the secretary of state, the president pro tempore of the
 8 senate and the speaker of the house of representatives and shall simultaneously
 9 be made publicly available by the secretary of state to any person requesting a
 10 copy.]

10

2 [144.1012. Unless five of the seven delegates agree, the delegates shall
 3 not enter into or vote for any streamlined sales and use tax agreement that:
 4 ————— (1) Requires adoption of a definition of any term that would cause any
 5 item or transaction that is now excluded or exempted from sales or use tax to
 6 become subject to sales or use tax;
 7 ————— (2) Requires the state of Missouri to fully exempt or fully apply sales
 8 taxes to the sale of food or any other item;
 9 ————— (3) Restricts the ability of local governments under statutes in effect on
 10 August 28, 2002, to enact one or more local taxes on one or more items without
 11 application of the tax to all sales within the taxing jurisdiction, however,
 12 restriction of any such taxes allowed by statutes effective after August 28, 2002,
 may be supported;

- 13 ~~————— (4) Provides for adoption of any uniform rate structure that would result~~
 14 ~~in a tax increase for any Missouri taxpayer;~~
- 15 ~~————— (5) Affects the sourcing of sales tax transactions; or~~
- 16 ~~————— (6) Prohibits limitations or thresholds on the application of sales and use~~
 17 ~~tax rates or prohibits any current sales or use tax exemption in the state of~~
 18 ~~Missouri, including exemptions that are based on the value of the transaction or~~
 19 ~~item.]~~

20

~~[144.1015. In addition to the requirements of section 144.1012, the delegates should consider the following features when deciding whether or not to enter into any streamlined sales and use tax agreement:~~

2

3

- 4 ~~————— (1) The agreement should address the limitation of the number of state~~
 5 ~~rates over time;~~

5

- 6 ~~————— (2) The agreement should establish uniform standards for administration~~
 7 ~~of exempt sales and the form used for filing sales and use tax returns and~~
 8 ~~remittances;~~

8

- 9 ~~————— (3) The agreement should require the state to provide a central, electronic~~
 10 ~~registration system that allows a seller to register to collect and remit sales and~~
 11 ~~use taxes for all signatory states;~~

11

- 12 ~~————— (4) The agreement should provide that registration with the central~~
 13 ~~registration system and the collection of sales and use taxes in the signatory states~~
 14 ~~will not be used as a factor in determining whether the seller has nexus with a~~
 15 ~~state for any tax;~~

15

- 16 ~~————— (5) The agreement should provide for reduction of the burdens of~~
 17 ~~complying with local sales and use taxes through the following so long as they~~
 18 ~~do not conflict with the provisions of section 144.1012:~~

18

- 19 ~~————— (a) Restricting variances between the state and local tax bases;~~

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- 20 ~~————— (b) Requiring states to administer any sales and use taxes levied by local~~
 21 ~~jurisdictions within the state so that sellers collecting and remitting these taxes~~
 22 ~~will not have to register or file returns with, remit funds to, or be subject to~~
 23 ~~independent audits from local taxing jurisdictions;~~

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- 24 ~~————— (c) Restricting the frequency of changes in the local sales and use tax~~
 25 ~~rates and setting effective dates for the application of local jurisdictional~~
 26 ~~boundary changes to local sales and use taxes; and~~

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- 27 ~~————— (d) Providing notice of changes in local sales and use tax rates and of~~
 28 ~~changes in the boundaries of local taxing jurisdictions;~~

29 ~~————— (6) The agreement should outline any monetary allowances that are to be~~
30 ~~provided by the states to sellers or certified service providers. The agreement~~
31 ~~must allow for a joint public and private sector study of the compliance cost on~~
32 ~~sellers and certified service providers to collect sales and use taxes for state and~~
33 ~~local governments under various levels of complexity to be completed by July 1,~~
34 ~~2003;~~

35 ~~————— (7) The agreement should require each state to certify compliance with~~
36 ~~the terms of the agreement prior to joining and to maintain compliance, under the~~
37 ~~laws of the member state, with all provisions of the agreement while a member,~~
38 ~~only if the agreement and any amendment thereto complies with the provisions~~
39 ~~of section 144.1012;~~

40 ~~————— (8) The agreement should require each state to adopt a uniform policy for~~
41 ~~certified service providers that protects the privacy of consumers and maintains~~
42 ~~the confidentiality of tax information; and~~

43 ~~————— (9) The agreement should provide for the appointment of an advisory~~
44 ~~council of private sector representatives and an advisory council of nonmember~~
45 ~~state representatives to consult with in the administration of the agreement.]~~

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Section B. This act shall become effective January 1, 2019.

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